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The Canadian Newspaper for Investors

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STEEL MARKET IS UNSETTLING FOR BUSINESS

Downward Readjustment of Prices Affects the Demand

EFFECT ON LABOR

Lower Prices For Product Will Bear on Return to Workers and Affect the Position of Other Commodities

By A. R. KENNEDY
Editor, "Canadian Machinery."

Business is hardly going begging in the steel world for want of bidders for it. Orders that would hardly get a respectable hearing in the war months are looked upon with considerable favor just now, and there is not much business showing that has a chance to get away without a certain amount of competition.

Steel men the world over know that buyers like to drop their booked orders when the market starts to decline. Hence the recent reductions announced in United States have two effects. They were made to stimulate buying, but in some respects they have the effect of causing the prospective buyer to ask, "When is the next reduction going to be made?"

These price concessions, though, ought to have the effect of bringing about a narrowing down of the margin that exists between buyers and sellers at the present moment. Until they are brought closer together there is not much chance of a very great volume of business appearing on the books of the steel mills on either side of the border.

Just now the steel men of United States are feeling the competition of British firms, and British represen-

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FREE TRADE IDEA IN UNEXPECTED PLACE

Certain Large Manufacturers Look With Longing at the American Field—Want Larger Mart

Smaller Firms Fear Dislocation—Tariff Gossip From Canadian Capital

UNDER the above headings, what looks like a very important pronouncement on the future course of Canadian trade and development, particularly in their relation to manufacturing and the tariff, appears in a special to the Toronto *Star* from Ottawa. In effect it proposes absolute free trade with the United States, and shows its advantages to both countries.

The *Star* is the President of the Council, Hon. Mr. Rowell's chief organ, and the writer of the "special" is supposed to be Main Johnson, late secretary and propagandist for Mr. Rowell. This publicity propaganda for Mr. Rowell led to criticism in the House last session and he resigned and joined the *Star*. He is doing easily the strongest specials on that paper, and through his experience and old connections he has been able to give some important exclusive news on national affairs. It is but natural that his relations with his old chief should still be most friendly.

The question now arises whether the article which we reprint below is a straight announcement of Mr. Rowell's new policy or merely a "try-out," or does it come exclusively from the restless mind of the president of the *Star*, J. E. Atkinson, naturally a free trader and a general intriguer. It will be remembered that Mr. Rowell and he were accused in the House by Hon. Mr. Murphy with plotting the downfall of their leader, Sir Wilfrid Laurier. The day after the latter's defeat in 1917, Mr. Atkinson began intriguing on the other side, and put out a feeler, dated from Montreal, advocating Laurier's being taken into the new Ministry. It created such a storm of indignation against Mr. Atkinson personally that the matter was instantly dropped.

It is generally understood that some of the *Star's* most powerful friends would welcome free trade with the United States. They have expressed themselves to that effect. They believe that their own interests would be greatly benefited, directly and indirectly, through a great growth in Canadian population and industry.

Whatever the object the situation should be closely watched. The article is as follows:

Ottawa, Jan. 3—Can there be a compromise between East and West on the tariff question? This is a subject which never loses its interest for Ottawa these days. It is one of the key-questions of contemporary Canadian politics.

The more immediate issue is—will there be a compromise between high and low tariff men at the pending session of Parliament? The more remote but deeper problem is—quite apart from the present moment—is there any permanent line of collaboration between the two schools of thought?

On the first point, the evidence is conflicting. The Cabinet itself seems to be willing to continue to sink controversial matters for another year. The country is not so unanimous. A large section undoubtedly favors prolongation of the truce. On the other hand, there is another section which believes the day of compromise, represented by a coalition Government, to be past. Among the latter, some are none too unselfish in their motives, while others genuinely believe that a sharper conflict of opinion and a hammering out of ideas would be beneficial to the State.

Submerging Differences

All this uncertainty in the public mind will be reflected among private members of the House, even on the Unionist side. Whether they will deliberately submerge the differences, and co-operate on matters of general acceptance, or whether they will vote as they and their constituents really feel, will largely determine the character of the session and the position of the Government.

On the more fundamental aspect of the tariff, and the possibility of a policy which would be really national, and not geographically sectional or belonging to any one class of the community, the chances are against an agreement. There are those who seek a meeting ground, and a few who believe they have found it, but the average man doesn't see how the farmers of the West, represented by the definite Winnipeg program, and the manufacturers of the East, can co-operate, without one or other giving way on essential points.

The farmers of Ontario, it is also pointed out, have greatly strengthened their organization, and are rapidly wheeling into fighting line. The union between them and the Western farmers will mitigate the geographical divergence of East and West.

Re-Analyzing Tariff

A beneficial result of the whole controversy is a fresh and close examination of the philosophy and economics of the tariff question. And, in the adjustment of thought, there is emerging one viewpoint which, whatever else it may have to recommend it, reveals a note of confidence in Canadian ability.

Conversation with a number of manufacturers, as they come and go in the capital, shows this question being raised with interesting frequency—why should Canadian industry be limited to a market of seven million people? Why shouldn't it "have a try" at the States, with its additional hundred million?

These men realize that to secure access to the American market, the Canadian market would have to be thrown open to competition from the South. This prospect isn't the bogey it was before the war. Canadian industry, in a supreme emergency, surprised even itself by its flexibility and efficiency. With such qualities, why should it fear American competition, or at any rate, why shouldn't it face this competition for the sake of the tremendous new and contiguous market which would be opened up?

Smaller Men's Position

At present, it is only the larger manufacturers whose thoughts are even turning in this direction, but it is predicted that smaller men, too, will see that the new system ultimately would benefit them.

One powerful argument against free trade in North America is the temporary dislocation which almost certainly would ensue, and which, it is feared, would ruin smaller Canadian firms.

If this first period could be passed safely, the net result, it is claimed, would be of very great advantage to the country and to all those engaged in its business, manufacturing or commercial.

It is not only that Canadians then would have a market of 110,000,000 on this continent instead of 7,000,000. American manufacturers also would be attracted to the southern fringe of Canada which offers water powers and other natural inducements, and which has the additional lure of being a comparatively virgin field. They could supply New Orleans and San Francisco from Welland as well as from Buffalo. Now, from Welland, they would only supply Canada.

Under free trade, after the preliminary time of adjustment, its advocates claim that the southern belt of Canada would become as thickly populated as the northern section of the States, and that the general prosperity of the country would be increased tremendously.

This is not a practical issue to-day, but its appearance, even as a possibility, in the mind of certain ambitious Canadian manufacturers, may be the germ of an idea that will grow.

PROFITS OF N.Y. BANKS

Less Than 1½ Per Cent. on Funds Actually Employed

NEW YORK.—A tabulation of the earnings of the National Banks in New York City published in the "Financial Age" of December 7th shows that out of thirty-two National banks in the city only three earned more than 2 per cent. on their loanable funds. Twelve earned from 1½ to 2 per cent. Twelve earned from 1 to 1½ per cent. and five earned less than one per cent.

In considering bank profits the uninitiated are very prone to take account only of the percentage earned on capital stock, which may be twenty, thirty or fifty per cent., according to the ratio of capital to net funds, and if the price of bank stock was always at par the profits would indeed be large, but it is safe to assert that at the prevailing quotations for these shares the income on the investment is reduced to 4 or 4½ per cent.

The capital stock of a bank is usually a small proportion of its loanable funds, its deposits being the major part, and the real test of a bank's earning power is, how cheap can it borrow deposits from the pub-

DEVELOPMENT OF WEST HINGES ON RESOURCES

Coal and Timber Limits Will be of Great Value

ALBERTA AND B.C.

Some Problems of the Immediate Future—Soldier Settlement, Labor, Seed Grain, Feed For Stock, Etc.

By F. W. CRANDALL
Farming Specialist with large interests in Alberta

CALGARY—The one great subject of development in the west hinges on natural resources, and Alberta and B.C. certainly are blessed with a very large area of valuable coal and timber limits. There has been a very lively enquiry on the part of eastern capitalists for both coal and timber, and some large syndicates have been organized for handling these commodities. So far as coal is concerned Alberta has but been touched and there yet remain tens of thousands of acres of excellent coal deposits within easy distance of present transportation and easily mined. This coal is of a quality for both domestic and steam purposes, and the actual conditions for taking it from the ground are ideal. I look for very great activities in this line to develop during the coming season. So far as timber is concerned, there seems to be almost unlimited demand for first-class timber limits. On account of the railways, not only in Canada, but of the States, using the very minimum in number of ties during the past four years of war has left the railways of the country in a condition where millions of ties will be required and these will be produced in large quantities in various parts of B. C. along established transportation lines. Then in the great reconstruction which will be entered into all over the country, millions of feet of timber and lumber will be required, and this taken in connection with the tie production will require large tracts to produce.

It is probable there never was a time in the history of Western Canada when the enquiry for timber tracts was as lively as at the present time, and the prices which are now being asked for such limits are in many cases double and in some cases four times the prices that were asked for these same tracts two or three years ago, and it would seem by the lively enquiry for suitable tracts that the end had by no means been reached yet.

Soldier Settlement

The Press has given considerable attention to various land settlement schemes for the benefit of returned soldiers, and commitees have been ransacking Alberta and Saskatchewan and parts of British Columbia for suitable locations. I have had several discussions with these committees as well as with individual soldiers who have made investigation, and find a great feeling of disappointment on their part as to the quality of any lands which are subject to such settlement; and also as to their availability so far as transportation is concerned. Much of the land that was suggested, that is, some of the large leases or lands that have been used for stock, have been proved to be too dry to undertake general and mixed farming.

The most feasible proposition so far suggested are lands in north central Alberta extending towards the Grande Prairie and Peace River Districts, even well into British Columbia. There are large areas of suitable lands in these districts, the one great drawback being that they are too far removed from present transportation. If the Government would direct its attention to these north lands and see to it that railways were constructed now, which must ultimately be the case if these lands are settled, it would help to solve this very important problem.

Regarding the assistance on the part of the Government to the soldier settlers, there are grave fears that this will not only work a hardship to the Government but will not be of any material benefit to the soldier-settler whom it was intended to assist. No doubt in some instances it would work out alright, but judging from the conversation of the large number of returned soldiers who had intended to avail themselves of this they will not be materially benefited by such assistance, and I am led to believe that the Government would have very great difficulty in keeping up the system of inspections necessary to handle a proposition of this kind.

Settlers From United States

There is every reason to expect a large influx of settlers from the States to enter into farming occupations as soon as the spring opens and the various real estate operators are making every preparation to handle them when such time arrives. There is a belief, however, that not a great activity will develop until after we have our spring rains. Just as many are somewhat pessimistic as to the present condition of the soil and will not act until assured of suf-

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NEW PRESIDENT DOMINION BRIDGE

G. H. Duggan Succeeds Phelps Johnson—Royal Bank Interests

By Staff Representative

MONTREAL.—The announcement of the large receipts from the Quebec Bridge in the annual statement of profits was one of the surprises that developed at the meeting of the shareholders this week, but perhaps a greater one resulted from the meeting afterwards of the new directors when the president asked that his resignation be accepted, and in his place the vice-president and managing director, G. H. Duggan, was chosen. Phelps Johnson had asked, after the Quebec bridge was finished, that he be allowed to retire for a long rest, but he continued until the meeting was over, and remains now as a member of the Board of Directors. H. H. Vaughan, vice-president as a member of the Board of Direc- was on the old board. The other vice-president is W. F. Angus, as before, so that there are only two vice-presidents in place of three as before.

The promotion of Mr. Duggan to the presidency has suggested a greater interest of the Royal Bank in bridge affairs in future. Mr. Duggan is one of the directors of the Royal Bank, and a few months ago C. E. Neill, general manager of the Royal, was elected to the board. A third Royal Bank man is A. J. Brown, K.C., who is a member of the Board of Directors of the Royal Bank also.

PAINTS AND VARNISH

Aggressive Action Looking to Export Trade in Europe

MONTREAL. — At the annual meeting of the Canadian Paint, Oil and Varnish Association it was indicated that the association means to anticipate a share of overseas business when the question of appointing a special representative to visit France and Belgium was introduced. Steps were taken to approach the Federal Government at once, for it was thought best to work in harmony in any plans that might be arranged. As a result a committee was appointed to take this matter in hand and results will depend upon the report that the committee is able to return to the association at a meeting to be held later.

The election of officers for the current year resulted in the return of George Henderson as president, Walter Ramsay, vice-president; L. F. Monypenny, second vice-president, and Messrs. D. Christie and A. C. Pendray as directors. George M. Edwards was re-elected as secretary.

MODERN PAPER BOX CO.

Reorganization of Guelph Concern—P. H. Secord, President

GUELPH.—The Modern Paper Box Co., Ltd., has recently reorganized. New capital has been interested and there has been a re-adjustment of stock. The entire holdings of E. E. and J. P. Hale, the former promoters, have been purchased outright. P. H. Secord, of Secord & Sons, Ltd., Brantford, is president, and R. Bruce Lang, superintendent of Taylor-Forbes Co., Ltd., Guelph, is vice-president.

C. N. Hall, formerly of Galt and Dundas, is the new manager and the services of J. H. Smithers have been retained as superintendent. The company specializes in "safety first" egg cartons and folding paper boxes for all purposes.

FIELD CROPS WERE $250,000,000 MORE IN 1917 THAN 1918

Higher Range of Prices Big Factor in Farm Income

TOTAL OF $1,396,000,000

Live Stock, Animal Produce, Poultry, Etc., Are More Than Double the Field Crop Figures For the Year

By F. M. CHAPMAN
Editor "Farmers' Magazine"

The value of Canada's field crops for 1918 will total $1,396,000,000, an increase over 1917 of some $200,000,000. Thus agriculture stands preeminent in the wealth of Canada. In 1917 we passed the billion mark in values of field products. It was felt that because of the short wheat crop 1918 would fall below the high levels of the preceding year. It is gratifying, therefore, to find from an examination of the returns that the 1917 lead has been beaten by over $250,000,000.

Values of field crops in the majority of the cases have been higher than in 1917. In the fodder crops we find a large yield of hay and clovers with values fully 50 per cent. in excess of the previous year. Canada had an immense crop of oats of first-rate quality, so with barley, which has been showing a recent decline in price but which decline is likely to be arrested soon by the swing of this grain to the ever-open chanels of livestock feed. Hogs remain high and barley is Canada's standard hog feed. The livestock prospects outside Canada, and the efforts being made to extend markets are recent evidence, being Premier Borden's offer to finance Rumania's purchase of food, all hold out promises of future prosperity along the live stock route.

An examination of the various field crops of Canada shows something like the following:

Crops	Bush., 1918	Values, 1918
Wheat	210,315,000	$442,000,000
Oats	456,735,000	320,000,000
Barley	83,262,000	75,000,000
Beans	3,937,000	13,770,000
Rye	10,375,000	16,600,000
Peas	4,385,000	10,962,000
Buckwheat	11,470,000	14,470,000
Mixed Grains	32,307,000	37,500,000
Flax	7,695,000	27,935,000
Corn	6,946,000	8,684,000
Total values		$966,921,000

To this we have to add the totals of the root and fodder crops which in a livestock country like Canada, assume an ever increasing importance. These are estimated quite accurately, we opine, at the following. The acres in all returns in 1918 are the highest on record.

Crop	Yields, 1918	Values, 1918
	Bus.	
Potatoes	105,000,000	$100,000,000
Roots	120,000,000	50,000,000
	Tons	
Hay & Clovers	16,000,000	250,000,000
Fodder Corn	3,900,000	20,000,000
Sugar Beets	180,000	1,900,000
Alfalfa	450,000	8,000,000
Total values roots, etc.		$429,900,000

On Basis of Values

Many items exceed last year's in values. Most items exceed in production. A few items show decreased values, as beans, peas, potatoes and roots, while hay, sugar beets, wheat, oats and rye show increased values. Comparing our field crop productions of 1917 with 1918, the showing is very favorable.

Total field rcops, 1917	$1,144,636,000
Total field crops, 1918	1,396,821,000

Including Live Stock

Nor do these items take into account the tobacco, the small vegetable crops, the intensive market garden crops or the fruit crops of Canada; nor does it deal with the eggs, bacon and dairy products and livestock. If we estimate the value of Canada's fruit crops at $5,000,000 and these minor truck crops at an equal amount, and following up the values of livestock, we arrive at other tables of Canada's total agricultural wealth something like the following:

Item	Value, 1918
Grain crops	$ 966,921,000
Hay and roots	429,900,000
Fruit and vegetable	10,000,000
Animal produce	300,000,000
Livestock	1,047,100,000
Poultry	50,000,000
*Grand total agric. wealth	$2,803,921,000

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*Not including realty and other capital wealth.

BANK OF MONTREAL

Established Over 100 Years

Capital Paid up - - - - - - $16,000,000
Rest - - - - - - $16,000,000
Undivided Profits, $1,901,613
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Head Office: Montreal. Established 1864.

Paid-up Capital ....$7,000,000 Total Deposits (Oct., 1918).$132,000,000
Reserve Funds ....$7,437,973 Total Assets (Oct., 1918)..$165,000,000

President: SIR H. MONTAGU ALLAN, C.V.O.
Vice-President: K. W. BLACKWELL Managing Director: E. F. HEBDEN
General Manager: D. C. MACAROW,
Supt. of Branches and Chief Inspector: T. E. MERRETT

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The Standard Bank of Canada

QUARTERLY DIVIDEND NOTICE NO. 113

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 31st of January, 1919, and that the same will be payable at Head Office in this City, and at its branches on and after SATURDAY, the 1st day of February, to Shareholders of record of the 23rd of January, 1919.

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto, on Wednesday, the 26th of February next, at 12 o'clock noon.

By order of the Board,
C. H. EASSON,
General Manager.

Toronto, December 20th, 1918.

The Dominion Bank

HEAD OFFICE - - TORONTO

SIR EDMUND B. OSLER - President
W. D. MATTHEWS - Vice-President
C. A. BOGERT - - General Manager

THE LONDON, ENGLAND, BRANCH

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UNION BANK of CANADA

Established 1865

HEAD OFFICE - WINNIPEG

Paid-Up Capital $5,000,000
Reserve 3,400,000
TOTAL ASSETS .... over $153,000,000

John Galt - President
H. B. Shaw - General Manager
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Travellers' Cheques and Letters of Credit issued payable all over the world.

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GEO. WILSON, AGENT

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Besides its 98 Branches in Canada, the Molsons Bank has agencies or representatives in almost all the large cities in the different countries of the world, offering its clients every facility for promptly transacting business in every quarter of the globe.

Edward C. Pratt, General Manager

WARNS AGAINST PATERNALISM BY POLITICIANS

Sir Herbert Holt Gives Straight Talk at Royal Bank Annual

CONTINUED GROWTH

Announcement of Increase in Capital Accompanies Plans For Expansion in Many Foreign Fields

An encouraging spirit of optimism as to the future of Canada pervaded the remarks of the three men who stand chiefly for the Royal Bank of Canada before the public at the annual meeting this week: the president, Sir Herbert Holt; vice-president and managing director, E. L. Pease, and the general manager, C. E. Neill. In concluding his address, Mr. Neill used these words: "We must now grapple with the problems of a period of deflation and reconstruction, and we must do so with the strong conviction that no serious difficulty will be encountered in surmounting them."

One warning note of a national character was sounded by Sir Herbert that will be re-echoed by the sound business men of the country. It was against the taking over of successful organizations that had developed under individual control and placing them under inexperienced political executives. His words were as follows.

> "Since the signing of the armistice a marked tendency has been evident on the part of those in authority in England and the United States to extend the system of paternalism, which was only approved as a war measure. Organizations which have attained maximum efficiency through individual enterprise and experience will now likely pass under the control of inexperienced political executives and unenterprising officials. At this time when the need for national economy was never greater, it seems imperative that administration should be left in the hands of the most capable with governmental assistance whenever it can be usefully extended and governmental regulation wherever public interest demands."

One president saw no reason for apprehension over the serious economic problems that now faced Canada.

> "The sudden collapse of Germany and her Allies," he said, "has brought us face to face with the grave economic problems which had been foreseen. Not only must several hundred thousand fighting men be reabsorbed into civil life, but an industrial army must be transferred from the manufacture of war materials to other lines of production. Moreover, before the war-financing is completed, it is estimated that our national debt will exceed $1,800,000,000. In addition, we must provide for an annual pension loan of approximately $30,000,000.
>
> "Such an outlook would have been viewed four years ago with widespread pessimism. To-day it is met with confidence, well founded upon abundant natural resources, demonstration of ability to adapt ourselves to unusual conditions, and wonders performed during the times of war through organization and skilful leadership. In spite of the drain on our man power, industrial efficiency is higher than in 1914 and capacity for production has increased; while many enterprises which were then feeling the stress of hard times are now firmly established."

Sir Herbert commented on the termination of the Business Profits War Tax on the ground that "if labor is to be given its ful opportunity the capital which finds employment for it must not be hampered."

Increase of Capital

Sir Herbert Holt announced that there would be an issue of $2,000,000 new capital stock, increasing the total from $14,000,000 to $16,000,000. This would be allotted to the shareholders of record January 8, at the rate of $150 per share, on the basis of one in seven, the ratio of the $2,000,000 to the existing amount of $14,000,000. Referring to this issue Sir Herbert added that circumstances permitting the policy would be continued of increasing the capital on attractive terms to the shareholders. As the present price of the stock on the exchange is 214, each shareholder is receiving the privilege of subscribing at a price 64 points below the market price, and with one in seven allotted his advantage would work out to about $9 a share. It is anticipated that the rights will shortly be dealt in on the exchange.

International Service

With the announcement of the intention of the bank to establish a branch in Paris to assist in the development and handling of export trade for Canada still fresh in their minds, the shareholders were impressed on Thursday by a further statement made at the annual meeting, that the bank would extend into three new spheres in South America: Rio de Janeiro in Brazil; Buenos Ayres, in Argentine, and Montevideo, in Uruguay. This extension follows an experience of twenty years in Cuba, the West Indies and other foreign fields, and has resulted from a careful investigation that has extended over the past two years.

In making the anouncement, E. L. Pease, managing director of the bank, declared that the extension of Canada's export trade was vital to the commercial self-preservation and future economic welfare of the country. "Only by creating a large favorable balance of trade can we hope to meet the interest on our foreign debt," he said. Canadian banks could effectively aid our export trade by establishing branches in foreign countries, and supplying information to the Canadian exporter. British banks existed in almost every foreign country and had proved a powerful factor in the development of Great Britain's world-wide trade. Germany's trade was promoted by her banks, and American banks, he declared, are rapidly establishing foreign branches.

This policy would not mean that Canadian deposits would be diverted to foreign fields; the contrary was the case, for the foreign deposits of the Royal Bank had always exceeded the foreign commercial loans, the present excess being $15,000,000. In the fifteen years' experience in Cuba and other countries the losses had been infinitesimal (less than in Canada) because the business represented chiefly the movement of staples, and there was little accommodation paper. Canada's trade had benefited by these branches.

There had been a special trade and commerce committee sent to London to secure special business from the Allies during the period of reconstruction, which would mean genuine prosperity for several years, "but beyond this we need to promote permanent trade relations with South America, the Orient, and other portions of the Empire.

> "We have every confidence that the Trade Mission established in London will be able to secure for us a share proportionate to our sacrifices in the business arising out of reconstruction work in the devastated countries. Arrangements doubtless will be made for an equitable distribution of orders in Canada and these will require financial support from all the banks similar to that accorded to munition and other war contracts."

With the extension into South America the Royal Bank has the field pretty well covered in that portion of the world. The addition of Brazil, Argentine and Uruguay makes a total of five countries in South America where the bank is represented by branches. The FINANCIAL POST understands that in a short time there will be another branch opened in Guadeloupe, Martinique, and the French West Indies.

Development of "Guilds"

Mr. Pease went on to draw attention to a new development that was taking place in the method of securing business for manufacturing firms, a co-operative system to some extent, through the establishment of guilds among the various trades, a combination for the sake of reducing the cost of selling. This was being advocated strongly in England, and the Webb law in the United States allowed such combinations, which, if they had taken place for domestic business would have come under the trust laws, and have been illegal. Selling agencies also were being established that carried on investigations in outside markets and sold goods at a minimum of expense.

LABOR BIG FACTOR IN COST OF STEEL

An Increase in Pay to Steel Workers of 74% in Five Years

PITTSBURGH—U. S. Steel in 1918 paid in wages and salaries approximately $425,000,000 to an average of 270,000 employees.

Finished steel shipments approximated 15,500,000 tons.

The average wage per man was $1,574, and the wage per ton reached $27.42.

It is hardly necessary to say that all these totals represent new high records.

The course of U.S. Steel wages has been upward since organization, with the tendency in that direction starting since the year before the war started. As an illustration, the average wage per man in 1913 was $905, compared with $1,574 last year, an increase of $669, or about 74 per cent. In the same period the wage per ton of finished steel shipped increased from $16.74 to $27.42, or about 64 per cent.

Since 1902, the first full year of operation, the average wage per man increased from $717 to $1,574, or about 120 per cent., and the wage per ton from $14.70 to $27.42, or about 87 per cent. Wages paid by U.S. Steel in 1902 aggregated $120,528,343 compared with $425,000,000 in 1918, an increase of over 250 per cent.

From these figures the fact is established that labor constitutes the great item in the cost of producing steel. Labor alone may account for as much as 75 per cent. of cost per ton.

BIG PROFITS AND HIGHER DIVIDEND FOR UNION BANK

Increase of Capital to the Shareholders Also Announced

BIG CURRENT LOANS

Extension of Credits to Current Business Outstanding Feature of Statement—Deposits Much Larger

The fact that the Union Bank of Canada earned 16.48 per cent. on its capital during the year ending November 30th last, as compared with 15.26 per cent. in the 1917 year, and a pre-war high record of 15 per cent. in 1913, provides justification for the announcement at the annual meeting of the shareholders held at Winnipeg on Wednesday of this week that the next dividend would be at the rate of 10 per cent. per annum. Further, the important statement was made by the president, John Galt, that it had been decided to issue the remaining $3,000,000 of authorized capital to the shareholders at $160, bringing the total paid up capitalization to $5,000,000. At the same time the shareholders approved of an increase of the authorized capital from $8,000,000 to $15,000,000.

The Union Bank has paid nine per cent. dividends to its shareholders since the close of 1912. In the previous two years eight per cent. was paid and in earlier years it was seven and a quarter per cent.

The earnings record for the past nine years is as follows:

	Earnings.	% on Capital.	% on *Invest.
1918..........	$824,174	16.48	9.6
1917..........	763,464	15.26	8.9
1916..........	651,183	13.02	7.6
1915..........	659,688	13.19	7.7
1914..........	712,440	14.24	8.1
1913..........	750,095	15.00	8.8
1912..........	706,832	14.40	8.7
1911..........	662,437	14.68	...
1910..........	451,620	12.49	...

*Per cent. on shareholders' investment—Capital, rest and profit and loss balance.

The year's profits were shown at $824,174, compared with $763,464 in the previous report and $750,095 in 1913. After allowances for dividends, premises, etc., on a similar basis to a year ago, the distribution of available funds provided for $200,000 for rest account. This item indicates the stronger position to which the bank's business has attained, as it compares with $150,000 provided for contingencies in each of the two previous reports. Comparative figures from the profit and loss account follow:

	1918.	1917.	1916.
Balance forward..	$106,624	$93,160	$106,977
Net profits	824,174	763,464	651,183
Total	$930,798	$856,624	$758,160
Dividends	450,000	*450,000	*450,000
Rest account	200,000	....	....
Contingent	......	150,000	150,000
Premises	75,000	75,000	....
Patriotic	19,500	15,000	5,000
War Tax on Cir..	50,000	50,000	50,000
Pension fund .. .	10,000	10,000	10,000
Bal. Nov. 30	$126,298	$106,624	$93,160

*Including 1% bonus.

Big Current Loans

The outstanding feature of the bank's business during the year was indicated by an increase of $15,200,000 in current loans, the total being increased to $74,000,000. This is not only a reflection of the expansion of business in the West during the year, but it indicates the manner in which profits were substantially increased. At the same time it was accompanied by a moderate extension of the bank's liquid position from the high standing attained in this respect in the previous report. The ratio of immediately available assets total declined from 35.78% to 31.13% and to liabilities to the public from 38.19% to 33.07%; however, in both cases the percentages were higher than indicated by the balance sheet of two years ago.

Apart from the expansion of current loans important changes in the balance sheet showed: an increase in $3,100,000 of Government securities held, a reflection of Government financing; a decline of $2,200,000 in bank balances abroad and of $1,200,000 in current loans abroad, indicating the recall of foreign funds for domestic purposes; declines in public securities of $520,000, other securities of $430,000, Dominion notes of $4,400,000 and gold reserve $400,000 and an increase of $450,000 in call loans abroad.

Demand deposits expanded $14,400,000 and savings deposits, $5,000,000. Circulation was smaller by $645,000. Following are comparative figures of the balance sheet:

	1918.	1917.	Change.
Immediately Available Liquid Assets.			
Specie	$940,446	$954,668—	$14,222
Dom. notes..	15,113,307	19,514,069—	4,400,762
Note cir. dep.	260,000	260,000	......
Notes b.	763,793	770,549—	6,756
Call lns. ab'd.	3,389,150	2,938,000+	451,150
Bank. bal. ..	92,052	82,984+	9,068
Do., abd. ...	2,933,357	5,193,687—	2,260,330
Gov. sec. ..	12,527,938	9,361,729+	3,166,209
Cheques	3,817,392	3,912,031—	94,639
Gold rec. ..	7,800,000	8,200,000—	400,000
	$47,687,435	$51,187,717—	$3,550,282
% total assets	31.13	35.78—	4.65
% total liab. to public ..	33.07	38.19—	5.12
Other Assets.			
Pub. sec. ...	$15,720,339	$16,244,471—	$524,132
Other sec. ..	2,501,825	2,933,212—	431,387
Call loans..	6,508,729	6,634,990—	126,261
Current	74,021,028	58,791,493+	15,229,535
Elsewhere ..	1,944,112	3,154,432—	1,210,320
Over. debts.	227,942	250,205+	77,737
Lets. of cred.	2,706,467	2,586,610+	119,857
Real estate..	268,153	370,604—	102,451
Mortgages .	141,656	99,975+	41,681
Premises . ..	1,237,606	1,106,299+	131,307
Other assets	166,159	51,919+	114,240
	$105,544,016	$92,224,210+	13,319,806
Total assets	$153,181,451	143,411,927+	$9,769,524
Liabilities to Public.			
Circulation .	$12,134,649	$12,779,662—	$645,015
Dem. depos.	58,805,208	44,368,804+	14,436,404
Sav. deposits	68,437,490	73,508,158—	5,070,668
Due banks .	424,602	372,938+	51,664
Due else....	1,751,178	1,132,882+	618,296
Acceptances	2,706,467	2,586,610+	119,857
Other liab. .	72,797	756+	72,041
	$144,332,391	134,749,810+	$9,582,581
To Shareholders.			
Capital . ..	$5,000,000	$5,000,000	$........
Reserve . .	3,600,000	3,400,000+	200,000
Dividends ..	122,761	155,493—	32,732
Balance . ..	126,299	106,624+	19,675
	$8,849,060	$8,662,117+	$186,943
Total liab. .	$153,181,451	143,411,927+	$9,769,524

The bank has now a board of nineteen directors, representing most of the provinces of Canada, and President Galt stated to the annual meeting that this number would be increased so that every province would be represented on the directorate.

STEEL MARKET IS UNSETTLING FOR BUSINESS

Continued from page 1

tatives are quite plain in their statements that they are going to continue to feel it. There is no doubt that the steel trade of Britain is in good condition. The plants are probably in better physical condition than they have been for a long time, and they are looking for world-wide business at prices that U.S. rollers will have difficulty in meeting. Foreign business finds a more ready acceptance also in the British mill than in United States because freight rates play largely to the British roller.

Price Is Dominant

But back of it all the price question is the dominant factor. The average base price to-day at U. S. points is $70.90 per ton. The ten-year average before the war, taking the period from 1904 to 1913, was $36.41 per ton. And this brings one to the very big and much involved question of price reduction.

It was not over two weeks ago that a big user of pig iron asked a large producer when the price of pig iron was coming down, and the answer was this:

"The price of pig iron will come down when the price of soap, prunes, tea and bread comes down."

And there is a great deal of truth in the somewhat elaborate reply. Reduced prices for steel means reduced prices for labor, and it means lower ore, limestone and coke. To put the price of steel down in advance of these other things is dangerous business, and to attempt, in the face of present prices, to bring down labor costs, is an equally dangerous proposition. No doubt these things will work out very well in time, but for the immediate present they are standing right across the road and they refuse to budge.

That is why prospective buyers are waiting. That is why the investor is not writing orders on the books of the steel mills now. The list of those who are waiting grows, and in proportion to its growth the volume of real business declines, or at best remains stationery.

An American View

That until steel producers and consumers do get together the business world will remain unsettled is an opinion of Hayden, Stone & Co., New York:

> Until the producers and consumers of the great staple articles, particularly iron and steel, get together on a basis where they can do business freely, the business world will have such an air of uncertainty that its effect cannot but be communicated to the stock market. Reaching a basis on which business can be freely carried out cannot be effected in a moment after such a prolonged period of artificial price stimulation as we have been going through, but, we believe, before this month is ended, we shall see good progress. The first step was taken in the price reduction recently announced. This was not only a wise movement as tending to bring producers and consumers together, but it gives the companies a vantage point in calling for a reduction of wages when this step becomes necessary as, eventually, it must. The fact that the companies were willing to make the first sacrifice places them in a strong position on the wage question.
>
> As a matter of fact, the cycle of advancing wages and prices has reached such an acute stage that there is really no further benefit to be gained by any further advance in wages. While we all like to get as much as possible in dollars and cents, there is no gain whatever when any advance in the money wage paid is immediately followed by a corresponding advance in everything that goes to make up the cost of living. The process had reached this point.

SERVICE-AT-COST IDEA IS FURTHER-ARGUED BY PITTS

Says That it is Solution of Toronto Railway Problems

DIRECTORS ON JOB

Says That Every Effort Has Been Made During the Year to Meet Public Opinion in the City

The approach of the annual meeting of Toronto Railway is again marked by an appeal to the shareholders by Herman Pitts, who last year conducted a somewhat dramatic and finally successful candidature for a directorship. However, Mr. Pitts as a director sees the situation somewhat differently from the way it appealed to Mr. Pitts as an outsider. If the change in the administration has been due to his own efforts, he is to be congratulated. He says that the official proxy is quite satisfactory to him this year and declares that throughout his period of office every director has been right on the job giving his best effort and ability to secure a better understanding between the public and the management. In this connection the evidence is that Mr. Pitts is correct; there has certainly been a greater effort on the part of the management during the year to meet public opinion in Toronto—that not much progress has been made has been due to the tactics of the municipal politicians and and the public ownership newspapers, which find that it pays to foster public feeling against the company.

After reviewing the developments of the year Mr. Pitts states his belief that the people are finally becoming educated to the tactics of politicians of the Church and Beck school and advises that the time is ripe for all holders of public utility securities to get together to cope with the situation:

> We talk about the danger of Hun arrogance and Russian Bolshevism, but believe me, we do not have to go to Europe to see evidences of it. The public are indignant over the Bolshevism policy of repudiation of all debts in Russia, but where is there any real difference in the insistence in certain quarters that federal chartered rights, on which large sums were advanced, should be abrogated, such as was openly demanded by certain power interests of the Commons and Senate last session. Will anyone deny, that a straight canvass has not been, and is not now being made by Toronto civic authorities, to discredit every honest effort on the part of the railway company to give the public ample and efficient service? If so they have only to listen to the arguments before the Railway Commissioners. Last year they took from the gross receipts of the company about a million and a half dollars to carry on civic affairs; and absolutely refused to even consider an increase of fares, to assist the railway to pay the men more wages. They even ran the city lines at a loss of a quarter of a million dollars, taxing the general public this amount for the benefit of the users of these interurban lines, rather than create a precedent of increasing fares, that might encourage the Toronto Street Railway to get what every street railway in America must have, to live, namely, an increase in revenue. Will anyone deny, that election canvasses were made on the plea that the railway would soon be bought for "junk," and employees encouraged to make impossible demands to embarrass the management; and as for pure arrogance one has only to look at the power situation in Ontario, where whole communities are being bribed by promises of cheap power while the ratepayers of the Province as a whole have to meet heavy deficits. It is all such an open catering to the red flag propaganda of "take and not pay" that it is nauseating to honest business.

Service at Cost

To solve the Toronto problem Mr. Pitts again advocates the Service at Cost idea, which has worked so successfully in the United States as compared with public ownership ventures. In this connection he says:

> It gives all the benefits of municipal ownership, while supplying efficient management. It has cut out this playing to the gallery by ward politicians. The public gets the extension and good service it desires, and pays only for what it receives. Employees have no reason to "kick" for more wages, and call on conciliation boards, as wages are fixed by an independent body, and the management are not bothered with strikes and irritation with the men. The co-operation plan gives labor a voice, gives the money actually invested (not watered stock) a fair return for the investment, and the public is assured of first-class service. For an honest administration of essential public convenience, and fair play all round, it seems to be the only reasonable solution. When the strapholder once realizes the reason he has to wait on the corner and freeze, while cars pass crowded to excess, and when he is convinced that much of his inconvenience in travelling to and from his residence, is not the fault of the street railway management, but of those he elects to look after his city interest, then we shall have a getting together of the public and the street railways.

The Company's Year

Approximately figures completed for the annual meeting of the Toronto Railway shareholders in February will show approximately 166,000,000 fares collected during 1918, as compared with 158,000,000 in 1917, an increase of 8,000,000 in passenger traffic.

As compared with 1917, the company's contributions to City Hall finance have been approximately as follows:

	1918	1917
Percent. of earnings	$1,046,495	$970,512
Pavement charges	98,841	98,816
General taxes	117,678	155,000

The percentage of receipts which have been turned into the city exceed the amount in the civic estimates by about $145,000, a contrast with the state of affairs which existed some years ago, when the city invariably estimated these receipts about $30,000 below what it could expect to get. Leaving taxes out of the question the Toronto Railway has contributed the following amounts to the city since it gots its franchise in 1891:

Percentage of earnings, $11,373,914; mileage rates, $2,125,589. Total, $13,499,503.

The company's passenger earnings were $6,528,800 in 1918, an increase of $326,238 over 1917 and the gross earnings are usually about $90,000 in excess of passenger earnings ($89,197 in excess in 1917), so that $6,619,000 should approximate the gross income for 1918.

The company's financial position was therefore improved as follows: During the past year: Increased earnings about $326,000. Saved by reducing dividend, $480,000. Total, $806,000.

As against this, however, there are the two following additional expenses: Increased payment to city, $113,000; increased wages, $300,000. Total $413,000.

The wage increase of about $600,000 per annum granted in 1917 applied to only half that year, so the 1918 wages should be about $300,000 in excess of those for 1917. This may be slightly reduced by the fact that the number of men employed was abnormally low for some months.

COMPANY'S POSITION ON RADIAL ISSUE

Has Shouldered a Growing Financial Burden For Twenty Years and Wants Relief

The Hydro-Electric Commission is being drawn into the Hamilton Radial matter. Willoughby Ellis, of the Hamilton Hydro-Electric Commission, has this week made overtures to Sir Adam Beck. The commission has power to take over the road under one of the many sweeping bills which have been put through the Ontario Legislature, but it is questionable if Sir Adam is desirous of loading up with an additional white elephant when the affairs of his present projects are so unsettled. Besides there is the factor which should not be overlooked that Hamilton voted against the Commission's hydro-radial scheme a couple of years ago, although other municipalities at present concerned were in favor of the scheme It is reported that the answer of Sir Adam will depend upon whether the Commission considers it feasible at this time to extend the system to Toronto.

In the meantime the company is in the hands of a receiver and the future of the line is uncertain. If the system goes up for sale the possibilities of securing a charter under which it can be profitably operated will undoubtedly be a factor in the bidding.

From the company standpoint the situation is described as "exceedingly simple." The line was started by a group of men wholly without railway experience, who accepted a franchise from the Town of Burlington which has proven disastrous. The railway has been a losing proposition from the first, and this situation was very much accentuated by the economic conditions created by the war. The owner company is unwilling to advance any more money to make up a further lengthening of this continuous record of loss and the railway company is unable, therefore, to proceed.

It can hardly be expected that the company will continue to carry this burden, which has been shouldered for twenty years, and the attitude of the Railway Commission supports the officials in this attitude. If the municipalities are willing to make reasonable advances in fares so as to allow the company a living income, the Railway Board should be able to provide all reasonable safeguards.

A dispatch from Mexico City to the New York *Times* says the Mexican Government will extend the time of denouncements of oil lands until Congress passes oil bill now under consideration. Unless Congress orders special sessions, oil law may not be passed until September, 1919.

MANUFACTURERS AND PROBLEMS OF DEMOBILIZATION

Col. Mulloy Presents the Case of the Returning Soldiers

WANTS NO CODDLING

Advantages and Disadvantages of Military Life in Relation to Civil Occupations—The Soldiers' Ambitions

By Staff Representative

BRANTFORD. — The case of the returning soldier in relation to employment was set forth in a clear and practical way by Col. Lorne Mulloy—the "blind trooper" of the Boer War—before a meeting of manufacturers and employers here on Wednesday night. He made clear the advantages and the disadvantages of military service from the standpoint of civil employment and argues the case for the soldier who did not want coddling or sympathy, but a fair opportunity.

"Let us not," he said, "call it the returned soldier problem. If we were informed that 350,000 physically fit, intelligent, English-speaking men were about to emigrate from the Northern States to make their home in Canada, we should not look on it with apprehension.

"The ideal is to have a complete absorption of the entire personnel of the demobilized army into the industrial life of Canada—to forget the old accepted idea that the veteran was expected to end his life in a workhouse, where his medals and decorations would be a continual reproach to the country he fought for."

The Soldier's Training

He pointed out that the very traits that distinguished a civilian as a good citizen—responsibility, initiative, and self interest—the very dynamics that make a man work and save, are just the things that have been—in the interest of a successful fighting army—been schooled out of the soldiers for three or four years.

Ordinarily, a man judges, decides and acts in regard to when he shall go to bed, when he shall rise, when or whether he shall shave, shine his shoes, eat his breakfast, wear his overcoat, and all the multiplicity of acts that constitute a day. Self-interest drives him to work in the morning and keep him there till quitting time; self-interest and responsibility make him provide for food, clothes and shelter, and whatever comforts his state in society expects for himself and those dependent on him.

Becomes Dependent

In the army, on the other hand, all is already decided for him. He does not get up when he elects—the bugle wakes him; he has to shave and shine up; he eats when the rest of the parade eats; he is told "'A' company will parade with greatcoats"; even his pay is unnecessary to his comfort—he could waste it all and he would still be clothed, fed, sheltered, and given medical care.

From the moment the soldier dons his uniform he is relieved of all the responsibility, the "urge" that makes for success in civil life. If he worried about his keep in the army he would be as foolish as the reader would be if he worried about the supply of air.

The Transformation

Now, take the uniform off, and the individual feels much like a heavy draught horse with a heavy load, tugging it up a hill would, should the bridle suddenly be snatched off. He is nonplussed. He is used to being directed. He cannot feel his responsibility for his keep; his three years of training have almost erased that from his thoughts. He cannot at once exercise his initiative; he has been taught for three years to act just so and not otherwise. He is not actuated by the self-interest that impels the citizen to work. If his self-interest had been exercised for the last three years, how long would he have drilled in the snow, tramped in the heat, or stood, with freezing fingers gripping his rifle, as he stood to his waist in the frozen slime of Flanders? He is released from the extraneous spur of military life, and the inner spur of ambition and self-interest has not yet begun to function.

Some Advantages

On the other hand let us place the advantages of his training. What constitutes a public-spirited man? Is it not one who places the public's welfare first and his own advantage second? Yes. Then we have 350,000 of the finest public-spirited men coming to take an active part in Canada's future. Men who think and act from a community standpoint. Men who recognize that they are a part of a community and who have been trained to act for the benefit of the whole. Our Canadian V.C.'s are an eloquent tribute to how well our Canadians have acted this policy. They will be the most valuable element in our citizen body.

No Coddling or Sympathy

Again, in connection with the industrial upheaval that has started in Europe, the soldier, trained to act and think in an orderly manner, properly absorbed into industrial life of our country, should be the very sheet anchor of our safety and stability.

"Finally," said the Colonel, "let us understand, the returning soldier does not want any coddling or sympathy he simply expects and has earned, an intelligent, sympathetic understanding of his changing conditions. Ninety-nine point nine per cent of our returning boys want to help to make their Canada the best place to live in on earth. Let us all intelligently help them to do it."

PRESIDENT PEACOCK TELLS OF BARCELONA

Outlines Plan of Reorganization—Unrest No Worse in Spain Than Canada

At the annual meeting of the shareholders of the Barcelona Traction, Light and Power Company on Thursday, President E. R. Peacock outlined the plan which has been agreed upon for financial reorganization. He explained that the debt as it existed before the reorganization, including the notes issued for interest, would have involved an annual interest obligation of about $3.750,000 beginning June, 1918. Under the new plan this was reduced to $1.750,000 for three years from the time referred to, and thereafter $2,750,000. When the company was able to pay the full 5½ per cent. on the bonds and 5½ per cent. on income bonds given in exchange for the notes, the annual interest payment would amount to between $3,800,000 and $3,900,000.

He explained also that the holders of the $10,000,000 prior lien B bonds outstanding, most of whom belonged to the French group, made a great concession in order to make possible the payment of interest to the 5 per cent. bondholders. They stood in an impregnable position as the company was making more than enough to pay interest on their bonds. but they eventually agreed to three things:

> "(a) Their bonds were reduced from 7 per cent. to 6 per cent., thereby releasing to the 5 per cent. bondholders $100,000 per year for the full term of the bonds.
>
> "(b) For the first three years they agreed to take half of their reduced interest in income bonds, thereby releasing $300,000 a year more to 5 per cent. bondholders. Between the two, therefore, they released $1,200,000 for the next three years to the 5 per cent. bondholders, and thereafter $100,000 a year.
>
> "(c) They agreed to the creation of an additional $5,000,000 of B bonds to be held in the treasury of the company for emergencies."

President Peacock spoke with confidence and optimism regarding the future of the company, particularly in relation to industrial activity in Barcelona, while there was also considerable manufacturing in the smaller surrounding towns. As to the unrest in the country, he expressed the opinion that it was no more serious than in Canada.

Reviewing construction activities, he stated that two 15,000 horsepower units of the Camarasa plant were being completed and that the potentialities were for five such units. So far about $2,500,000 had been spent on this project.

INDUSTRIALS GOOD

Advice Offered Investors by Greenshields & Co., Montreal

MONTREAL. — Industrial bonds and good preferred stocks have not shared to any extent in the recent sharp advance in prices of good securities, according to Greenshields & Co. Government and municipal bonds have been in big demand because of general realization by investors that the opportunities offering in the war period, when prices of all securities giving a fixed return were depressed by the weight of Government borrowing, will not recur for many a year.

The following are recommended:

Bonds—	Due.	Price—about	Yield
Dom. Iron & Steel 5's	1929	87	6.80
Wayagamack Pulp & Paper 6's	1951	82	7.50
Preferred Stocks—			
Canada Cement 7%	....	95	7.37
Dom. Steel Corp. 6%	....	87½	6.80
Penmans Ltd.	....	85	7.10

CENTRAL CANADA LOAN

Earnings of $203,000 Reported for Past Year

At the annual meeting of the Central Canada Loan and Savings Company yesterday the president, E. R. Wood, reported net earnings for the year of over $203,000, which, together with a balance brought forward from last year in open profit and loss account, made a total amount available for distribution of $276,898.12, compared with $258,814 the year previous. This was disposed of as follows: Payment of 10 per cent. dividend for the year, $175,000; donations to Patriotic, Red Cross and other funds, $9,824; balance carried forward into 1919 in profit and loss account, $92,074.12.

THE CANADIAN BANK OF COMMERCE

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
SIR JOHN AIRD, General Manager
H. V. F. JONES, Ass't. Gen'l. Manager

CAPITAL PAID UP, $15,000,000 RESERVE FUND, $13,500,000

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HEAD OFFICE AND EIGHT BRANCHES IN TORONTO

THE ROYAL BANK OF CANADA

INCORPORATED 1869

Capital Paid Up $ 14,000,000
Reserve and Undivided Profits 15,500,000
Total Assets 427,000,000

HEAD OFFICE, MONTREAL

Sir Herbert S. Holt, President.
E. L. Pease, Vice-President and Managing Director.
C. E. Neill, General Manager.

530 Branches in Canada, Newfoundland, West Indies, Central and South America, etc., distributed as follows:

Canada	465
Newfoundland	6
West Indies	47
Central and South America	9
Spain (Barcelona)	1
U.S.A. (New York)	1
Great Britain (London)	1
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Friendship is No Criterion

in the selection of an Executor. Quite the contrary. As a rule, the less personal interest an Executor has in an Estate, the better its affairs are administered. The selection of an Executor is a matter of business, not of friendship. Friendship should, therefore, give way to sound business judgment.

Appoint this Company your executor.

Montreal Trust Company

Sir Herbert S. Holt, President. A. J. Brown, K.C., Vice-Pres.
TORONTO OFFICE: ROYAL BANK BUILDING
J. H. Hobkirk, Manager.

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament.
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HEAD OFFICE, - WEYBURN, SASK.

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NEWS OF SECURITIES Minimum Prices Are Abolished at Toronto

ASIDE from the continued strong movement in the bank stocks—with recent advances largely maintained and some further material gains scored—there has been no broad tendency evident in the Canadian market situation. There has been activity in some specialties, but for the most part there has been a continuation of "time-marking," which is evidently a direct reflection of the uncertainty which prevails in the industrial and business situation generally. New York fails to provide any guiding influence.

The removal of the minimums in Toronto, while the barriers are being maintained in Montreal, has not been marked by any striking development. A couple of the utility stocks, Toronto and Winnipeg Rails, have dropped down a few points, but there has been such a small offering at the lower levels that Montreal is emphasizing that this indicates the relative importance of the two markets. Smelters was another which dipped below the artificial price, but later reacted and has been selling above the "pegged" figure. Another development in the trading situation has been the reopening of the Winnipeg Stock Exchange after a four-year period of inactivity.

In the bond market the situation is unchanged—demand strong and small supply, with prices rising. In mines conditions are quiet, with slow demand, but prices are generally holding.

Hayden, Stone & Co., New York: Marketwise, a period of inertia is to be expected until the business world shows more confidence, but we consider that prices have discounted the present uncertainty, and the lessened profits that are to be expected, and that when the industrial world finds itself the effect will be quickly reflected in securities.

J. S. Bache & Co., New York: Contrary to expectations, we had neither a peace bull market nor a first-of-January rise. Control of money, limiting loans to Wall Street, kept the market down in November. It had, perhaps, something to do with this week's moderation of movement, but more instrumental than the lack of funds may have been a realization of the difficulties and uncertainties of the reconstruction period. The market is awaiting developments. Many things that are dreaded will never happen.

Greenshields & Co., Montreal: The Canadian stock market continues to indicate that the opinions of business men are optimistic on the future of Canadian trade. The people most closely in touch with business are the largest holders of stocks of industrial companies. No other deduction than that they are as a whole well satisfied with the outlook of business in relation to the present market prices of stock would seem possible from the firm to strong tone of the stock market in recent weeks. The strength of high grade bonds and stocks strictly in the investment class can be explained by the expectation of easier money.

STEEL

Steel Group in Canada Starts the Year With Strong Tendency to Higher Levels

By A. R. KENNEDY

Associate Editor Canadian Machinery

There has been considerable attention paid recently to pointing out the uncertainty that exists in the steel trade, and to speculating on how far it would affect the price of the various steel securities. The New York market seems to have taken some of these reports more seriously than the Canadian investors and speculators. As a matter of fact the worth-while steel securities in Canada show a decided tendency right now to become stronger even in the face of decreasing purchases.

The Canadian mills have not anything like the volume of business facing them now that they had a few months ago. In fact some of them are not booked for any great distance ahead, nor have they much idea, in view of the declining price market, of going ahead to roll out large stocks of standards. Purchasing departments are waiting. Prospective builders are doing the same. In fact the list of those who are waiting is growing quite rapidly. The tendency of buying is to fall off in a declining market. The man who buys is always an optimist in the matter of price, and he seems to be certain all the time that the price will be more favorable a little farther on. The mills are having some trouble too in holding business that was booked during the war period.

It is expected that there will be large Government orders put through within a very short time now. Such a step would be acceptable to the steel mills of Canada, as there is a space to be filled in now that needs some such assistance. That space is the period in between the abnormal war work period and the time when business interests shall have once more recovered their standing to the point where they will come into the market as purchasing factors.

It seems very unlikely that steel prices in Canada will be reduced suddenly to meet the cuts that have been or may be announced by the U.S. mills. Warehouses in Canada are, in many cases, carrying goods that have been turned out at the mills here, and that have cost them a good margin above the present base price at U.S. points. To come down to U.S. figures would mean that the warehouses would be placed in an embarrassing position. At the same time this must not be taken to mean that the price reductions in United States have placed the Canadian producers of steel where they cannot or will not compete. While it has not brought an announced policy of price reductions it has undoubtedly had the effect of introducing a greater degree of flexibility in the price lists governing operations both at the mills and warehouses.

While steel interests are planning to meet price reductions the scrap dealers have gone ahead and knifed the price list, and it must be admitted that they have done it handsomely. The values given out now are but mere shadows of the splendid figures that have been secured during the war period.

	Last Jan. 2	Sales Jan. 9	Ch'ge
Can. Car	30½	30	— ½
Do., pref.	85	84¾	— ¼
Can. Loco., com.	63¾	63	— ¾
Gen. Electric	103½	104	+ ½
Dom. Iron, pref.	93½	93½	...
Dom. Steel	62½	62¼	— ¼
N.S. Steel, com.	*66	66	...
Steel of Can., com.	64¼	64⅞	+ ⅝
Do., pref.	95	95	...
Rus. Motor, pref.	75	75	...
Do., com.	*84	*84	...

*No [illegible]

NOVA SCOTIA STEEL

A slight recession was noticed on the New York market for Scotia common, but it was not reflected locally. Only one sale of 30 shares is recorded this week at 66, the same price at which the last preceding sale was made in November. A statement recently issued based on a report of earnings for the first nine months of this year and allowing the same for depreciation as last year, estimated that the earnings would be at the rate of about 12½ per cent., compared with 8.40 in 1917, 33.74 in 1916, 24.22 in 1915 and 9.22 in 1913. Scotia, in common with all other industries in the east, has suffered from the standpoint of low per capita production during the year.

EASTERN CAR

The Eastern Car Company, a subsidiary of the Nova Scotia Steel & Coal Company, is expected to make a fairly satisfactory showing on the 1918 business when the annual statement comes out in about six weeks' time. The annual meeting will be held in March. Advices to THE FINANCIAL POST from authoritative sources indicate that there is some hope for a dividend on the preferred stock, but as to whether this has been earned or not seems to be another matter. All the directors will do is to express hopes; they say they cannot yet be sure. The company at the present time has orders for between two and three months and new orders are looked for but without definite prospects. Business is expected to develop when the railways place anticipated orders for rolling stock to build up equipment which has run down since the outbreak of the war. The company's close association with Scotia should be an advantage in relation to production costs, especially during the period of readjustment.

DOMINION STEEL CORP.

Iron is starting the new year as a favorite in the trading. Last year trading in this stock was responsible for 134,537 shares changing hands. Total production figures (estimated) show a decrease in the output of both coal and steel during the year. For coal the figures will be very close to the following:

Cape Breton, tons	3,269,241	
Cumberland Collieries	367,709	
Total	3,636,950	
Iron ore	560,000	gross tons
Limestone	451,000	net tons
Pig iron	289,900	gross tons
Steel ingots	332,000	" "
Blooms and billets for sale	69,000	" "
Rails	114,350	" "
Wire rods for sale	47,500	" "
Merchants bars	850	" "
Wire nails, etc.	7,300	" "

Although output of materials may be somewhat disappointing there has been notable progress in the way of improvement of plant and equipment and in new undertakings for the enlargement and extension of the company's works.

NATIONAL STEEL CAR

The annual meeting of National Steel Car in Hamilton has not been followed by the handing out of much information regarding the affairs of the concern. Although the size of the sales are small, common is starting to move, and some sales of preferred are recorded as well, but neither shows an improvement, common bringing 5½ and preferred passing at 20. The Hamilton works are well employed, and only a few weeks ago an official of the company gave out the statement that they would take on several hundred extra hands. The peculiar and rather unsatisfactory result of the orders handled for the French Government, which at the time looked like a big stroke of business, has not been adjusted according to the last reports on the matter. A Hamilton report referring to the annual meeting says it was reliably learned that reports presented indicate a much more prosperous future than was in evidence during the war, and that the company now has a considerable number of Canadian Government contracts which will require the continued employment of day and night shifts up to full capacity for several months.

STEEL OF CANADA

Steel of Canada common starts the year with a tendency to show gains. Trading was continuous in this security throughout last year, and in all 148,535 shares were transferred. This leads the Canadian security market, and scores a decided win for the steel group. The annual gathering of salesmen from all points in Canada is taking place in Hamilton shortly. Much more will depend on the sales force this year than during the period covered by 1918, as actual selling under keen competition will be the order now. There is no sign of letting up the working pressure at Hamilton, although there is not the business on the books that there has been for the past few years when war business made 24 hours a day the minimum for steel production. Sales of preferred made since the start of the year give 95 as the basis for trading.

DOMINION BRIDGE

It is a little difficult to accord with the criticisms being made of Dominion Bridge Company directors in cutting down the dividend last year from 10 to 8 per cent. While the earnings did show some 18 per cent. a year ago, as one shareholder pointed out, and 28 per cent. this year, the earnings last year after the reserve was taken out were little more than enough to cover the dividend. This year the 28 per cent. covers $1,100,000 from the Quebec Bridge, and represents seven years of work. Moreover, one auxiliary had to go out of business, a second paid no dividends this year, and the future is quite uncertain for structural work, the normal business of the company. Whether fault may be found with the result of the subsidiary companies' showings, is a different matter. There is some talk of lowering the present minimum of 123 in order to encourage trading. Before the dividend was cut the minimum was 128.

CANADIAN CAR

The publication of the report of the Canadian Car and Foundry Company served to strengthen the preferred stock this week and it recovered its 1¾ per cent. dividend almost at once, and from 83¼ sold up to 85⅞ this week. The common after rising to 31½, from a low of 25 in the liquidation of ten days ago, eased a little to 30 on Thursday.

MILLING

Export Trade Still at a Standstill, But An Early Improvement is Looked For.

By J. L. RUTLEDGE

Editor "Canadian Grocer."

The export business is still pretty well at a standstill. The Wheat Export Company at the moment is simply not in the market. This is partially unquestionably a result of congested conditions at the seaboard, due to scarcity of tonnage. It is due also in a measure to a question of credits. It is generally conceded, however, that it is only a temporary lull, and that the Canadian mills will again profit by this business in the not too distant future. Just when such business may be expected to start again is a point on which there is a variety of opinion. Some milling officials see a resumption of orders within the course of a few days, others are not quite so optimistic, and admit there are considerations that suggest the possibility of longer delays.

The Canadian trade is suffering, too, in the West Indian trade. The United States Government has withdrawn all restrictions on that trade, and the American mills have been making a strong bid for that business. The fact that they have been permitted to increase the price of feeds, and to proportionately decrease the price of flour has given them somewhat the edge on the Canadian trade who are still bound to the regulation basis of profit for feeds, which as it operates in practice is not a profit at all but a liability. Representations have been made to the Government in regard to this matter, but it is understood that the Department of Agriculture is strongly opposed to any change in the price for feeds, and it is very questionable, therefore, as to just what attitude the Government will take to these proposals. Certainly they have shown no intention of making any change to date.

	Last Jan. 2	Sales Jan. 9	Ch'ge
Can. Bread, com.	23¾	23⅛	— ⅝
L. of Woods, com.	*165¾	164	— 1¾
Do., pref.	*103	*103	...
Maple Leaf, com.	136½	133½	— 3
Do., pref.	98¼	96½	— 1¾
Ogilvie Flour, com.	220	212	— 8
St. Law. Flour, com	96	94½	— 1½

*No sales this week.

WESTERN CANADA

There has been a slight falling off from the general average of business of the Western Canada Flour Mills, according to J. E. Macfarlane, the managing director of the company. Export business has been cut off of late, and has made a considerable gap in the total business, but it is believed that this is only a temporary condition that will soon remedy itself.

MAPLE LEAF

There has been a great deal of activity of late in the Maple Leaf Milling Company common from sales totalling 2,225 on Thursday of last week selling at from 136¼ to 137½, the stock declined to sales of 1,860 for the past week at a range from 133 to 137. There is no indication that this decline is due to anything but the post dividend condition. The preferred showed the same conditions prevailing, the selling price ranging from 96¼ to 98¼.

The company has decided against the project of rebuilding the Welland mill at the moment. The cost of milling machinery at the moment makes building a serious proposition, so that this work will be left in abeyance until it can be done without unusual expenditure, in the meantime the business will be handled from the Port Colborne mill.

OGILVIE MILLING

The common stock of the Ogilvie Milling Company reached a new level on Thursday of last week that started a good deal of speculation. It declined during the following days to 2.15, but even that figure warrants a belief that changes may be impending. The stock is not widely held, and the owners are unquestionably well satisfied with the stock. It is a fairly well established rumor that shareholders will receive two shares for each share now held. It is probably this rumor that has encouraged the high selling price. The range for the common during the week was 214 to 220.

LAKE OF THE WOODS

There was a slowing up in the movement of the common stock of the Lake of the Woods Milling Company after one comparatively brisk week. Prices, however, remained strong, the range being 163 to 164.

ST. LAWRENCE FLOUR

The directors of St. Lawrence Flour Mills Co., at their meeting on Wednesday of this week, failed to make any change in the dividend, leaving it at 1½ per cent. and 1 per cent. bonus, or 6 per cent. and 4 per cent. bonus for the year. This covers the quarter ending Jan. 31, and is payable Feb. 1 to shareholders of record Jan. 18. At the same time the dividend of 1¾ per cent. was announced on the preferred. While not as much hope was being built on a straight 2½ per cent. dividend this time as three months ago, when the stock dropped back from 96¾ to 90, it eased a little from 95 to 94⅝ and 94½ for an odd lot. The company is doing exceedingly well, and most of its output is devoted to domestic needs, so it is less affected by the temporary cutting off of export orders.

TEXTILES

Only One Stock Showed Up Strongly This Week—Prices of Rest Firm—Seeking Export Trade

By H. H. BLACK.

Another quiet week must be reported in the textile securities, but this has been in line simply with the most of the rest of the market. The revival that was looked for by many to come with the turn of the year has not arrived, and there is every evidence that the market is in for a further period of apathy, in which, doubtless, the textile stocks will share. It will be nearly three months before some of the largest among the cotton mills close their fiscal years, and there will be a tendency to await some definite word covering at least the most of the year before building action on the year's earnings and profits. Those in touch with these companies have no fears about larger earnings and profits than ever before, for high prices will prevail until the close of their fiscal years and for months after.

Only one stock caused anything of a flurry this week, and this the largest of all. It rose to a new high, on a suggestion of a new stock issue for a new mill, but did not retain the top price for long. The other stocks remained at about the same levels as last week.

An important step has been taken by the Canadian Woollen Manufacturers' Association, which is composed of some seventy mills making woollen goods and knit goods. This association is acting in close co-operation with the Trade Mission from Canada, and a representative has left for overseas taking samples of blankets, cloths, men's, women's, children's underwear, socks and sweaters. A good order came to the knit goods mills for the Siberian expedition and some spare stocks were cleaned up in this way. With the close of the war the woollen mills were rather anxious about the orders they had on hand for khaki cloth. At first cancellations were made, but later the War Purchasing Commission agreed to take fifty per cent. of the original orders, and all the khaki cloth that was made up or in process. This took care of large quantities of wool that were on hand, and is keeping some of the mills running where they might have slack times for a while. In the case of all textile mills the earlier feeling that the end of the war might cause an immediate drop in prices is being dissipated, and it is likely that new orders will come on where for a time it was feared that the earlier tendency to cancel or remain out of the market might continue for many months, and make conditions difficult alike for the mills and the trade that they supplied.

	Last Jan. 2	Sales Jan. 9	Ch'ge
Can. Cot., com.	69	68	— 1
Do., pref.	*76	*76	...
Dom. Tex., com.	100½	103	+ 2½
Do., pref.	*100	101½	+ 1½
Mon. Knit., pref.	76	78	+ 2
Mont. Cot., com.	*59	58⅜	— ⅝
Do., pref.	100	*100	...
Penmans, com.	*78½	79	+ ½
Do., pref.	85	85	...

*No sales this week.

WABASSO COTTONS

Although little stock is moving these days of Wabasso Cottons, there is no sign of any weakening and an odd lot this week realized 59.

CANADIAN COTTONS

As is the case with the mills this is a quiet season so far as new business is concerned, and will be for the next two months. The stock, too, is taking a rest and only a single sale was recorded this week, at 68, the prevailing price for several weeks, although a small lot touched 69 last week. The preferred was offered at 76 but not sold.

DOMINION TEXTILE

The boom in Dominion Textile stock which started last week with a rise of 3½ points to par, continued this week and early the price of 104 was reached on fairly heavy buying. Later on this eased off to 103 and by Thursday buying had stopped altogether. The market closed with 103 bid and 103½ asked. The price of 104 is the highest that Textile has reached, and set loose a flood of rumors, which, of course, included that of an increase in the dividend which last year went up from 7 to 8 per cent. Then there was talk of a bond issue to finance the new mill that will be built at St. Lambert, the finest, it is promised, of anything in the textile line that will be found in Canada, and one of the best on the continent. A third suggestion was that there would be a new issue of stock, but not one found any support close to the company. The stock of this company has come to be looked on as one of the safest and most promising for an extended investment of any in the market, and increased dividends are looked on as certain as the years go by, with business that will grow steadily, not only in domestic lines but along export ones as well. Last year the company had total sales of over $16,000,000 for the year ending March 31, and earned almost 22 per cent. on the common stock. The preferred sold this week at 101½.

Dealing with the Dominion Textile Company, Greenshields & Company's *Review* declares that "at the present level (100-101) the stock is an excellent speculative investment purchase. The dividend of 8% appears very secure in view of past earnings and the present strong financial position. Earnings have averaged 9.84% for the past ten years, and last year 21.96% was reported. Working capital has risen from $790,000 to $3,622,000 in the same period. Its products are necessities, and it is the fifth largest concern of its kind in the world. The management is excellent.

PENMANS

The developments along export lines are likely to benefit Penmans among the first of the Canadian knit goods mills, for they carry the largest and widest range of any mill in the country. The shutting off of war orders will cut down the work of the mills to some extent as the company was able to take care not only of Canadian orders but reached out for some large ones given by the United States Government. But the scarcity of shipping will hold out import business for some time, and thus Penmans will still retain for the most part their hold on the Canadian field, although the future is certain to open up again the keen competition of outside markets that was felt before the war and for the first year or so. The price of the stock still shows the weakening through the omission of the bonus at the last meeting, and sold at 78½ and 79, a shade firmer than last week.

MINING STOCKS

Quiet Conditions Still Prevail, Though With Prices Holding Well

The mining market this week has been featureless, except possibly for a stiffening in the price of McIntyre which has touched a new high point on the present movement. The reactionary character of the New York market has had its effect on the local market and has retarded any large amount of speculative buying. At the same time it cannot be denied that actual production conditions are showing steady improvement, and that from the earning standpoint the situation is much improved.

Reports from the mining camps indicate that the labor supply is increasing, and, while wages are not showing any indications of dropping, other costs come down. So far as the gold mines are concerned every cent saved in operating costs is a cent added to profits, and the same will be true of the silver mines, so long as the price of silver stays up around the dollar mark.

	Last Jan. 2	Sales Jan. 9	Ch'ge
Adanac	.07¾	.10	+.02¼
Beaver	.41½	.41	—.00½
Dome	12.00	12.50	+.50
Dome Ext.	.24½	.25	+.00½
Hollinger	6.25	6.25	...
McIntyre	1.77	1.83	+.06
Mining Corp.	2.40	2.25	—.15
Newray	.14	.16	+.02
Nipissing	8.20	8.75	+.55
Temiskaming	.32	.32	...
Vipond	.23½	.23½	...
West Dome	.16	.14½	—.01½

ASSOCIATED GOLDFIELDS

It is announced that the Associated Gold Fields Mining Co., the properties of which are located at Larder Lake, will shortly sell a block of treasury stock in order to place their properties on a producing basis. The company's holdings comprise close to 2,000 acres and the mines are divided into four blocks. According to a pamphlet issued by Mackay & Mackay, Toronto, the ore bodies exposed and developed have demonstrated great width and are apparently deep-seated and of good milling grade.

BAILEY-COBALT

A plan for the reorganization of the Bailey-Cobalt Company has been laid before the shareholders by D. G. Lorsch, of the Standard Mining Exchange, who solicits their proxies for its attainment. The proposal is to form a new company to be known as the Bailey Northern Customs, Limited, with a capital of $1,250,000 and bonded at $150,000. The liquidators of the Bailey Cobalt will be asked to sell to the new company the Bailey mine and all its assets for 425,000 shares of the new company, which will enable them to distribute one share of new stock for every ten shares of old stock outstanding. It is further proposed that the new company should purchase the customs mill at Cobalt now owned by the Northern Customs Concentration Co. Shareholders will be asked to approve of the proposed reorganization, following which, with the sanction of the court, the new company will be formed and start operations.

CROWN RESERVE

The new vein recently encountered on the Crown Reserve is reported to be opening up exceedingly well. For a distance of upwards of 100 feet the vein has maintained an average width of about 3 inches and has been shown to contain average silver values of about 3,000 ounces to the ton. It is being pointed out, in connection with this discovery, that one of the most important features about the mine is the fact that the whole eastern section of the property is practically virgin territory. This opens up large possibilities.

The annual meeting of the Crown Reserve takes place in Montreal on January 22.

DOME MINES

The Toronto *News* is authority for the statement that the Dome Mines management are after certain properties lying to the north of the Big Dome mine, notably one owned by Mr. Schumacher, of the Schumacher mine and another, which is understood to be in the possession of F. L. Culver, president of Beaver Consolidated. The important values on the Dome lie at the north end and the ore systems tend in that direction.

"It is understood," states the *News*, "that the ore body being developed at the 1,250-foot level takes a northerly trend and will cut across the corner of the Schumacher, and Dome Extension properties and enter the North Dome. It has not been announced yet whether or not this is the vein that was supposed to extend across the centre of the Dome Extension, or whether it is a separate ore body. In any case, the Dome Extension's future is with the Dome Mines, because the new ore body cuts through the corner of the Extension mine, and because the Dome control are owners of the Dome Extension."

McKINLEY-DARRAGH

Cobalt reports state that the new high-grade vein on the 300-foot level of the McKinley-Darragh mine is standing up well. Some of the ore is said to run 4,000 ounces to the ton, while the average grade is also sufficient to make it high-grade. The find was made on the western half of the property in an area containing a fairly large section of virgin territory.

The company is installing a large pump for the purpose of pumping the tailings from the bed of Cobalt Lake to the new oil flotation mill as soon as the weather in the spring will permit. At the present time the mill is closed down, but with the resumption of operations in the spring it is expected a tonnage of almost 250 per day will be possible of treatment in the mill.

MOND NICKEL

An issue of £1,520,000 seven per cent., non-cumulative preference shares of the Mond Nickel Company, Limited, is being offered in London at par. The prospectus explains the purpose of the issue as follows:—

"Owing to the continued growth and development of the company's business, considerable extension of the company's works has been found necessary, and the capital provided by this issue will be utilized to complete the extension of the company's refining works, part of which

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is already erected. When these extensions are completed, the output of the company's products will be increased by 50 per cent. Further working capital is also necessary for the company in order to carry on the increased volume of business and to pay off certain liabilities."

The company's mines are in the Sudbury district, its smelting works at Coniston, Ont., and its refinery at Swansea, Wales. The fact that plant extension is being undertaken at this time is encouraging, as a British view of the future of the nickel industry in the face of the expanding activities of the International Nickel Corporation and the increased production of the metal to be looked for from the completion of the new British American Nickel Company's plants.

TECK-HUGHES

Only routine business was transacted at the annual meeting of the Teck-Hughes Mining Co., which was held in Buffalo on Tuesday. The old board of directors was re-elected. During November, it was reported, the company treated 1,826 tons of ore, having a value of $8.99 per ton. This production compares favorably with the operation of the mill prior to the closing down upwards of a year ago.

PULP AND PAPER

While Newsprint Trial Is On, Trading In Paper Stocks Falls Off

By W. A. CRAICK.

If the steady day-to-day dealing in Laurentide shares is omitted, there is little doing this week in the market for paper stocks. Practically all the active stocks figure in the trading, but as compared with the extent of the dealings during December, business has been light. If there has been any appreciable tendency it has been towards weakness, most of the stocks, under the leadership of Laurentide, reacting a point or more.

Presumably the newsprint case which is now on before the Appeal Tribunal at Ottawa is having more effect on the market. To the layman, newspaper reports of the proceedings must prove very confusing. It may be explained that, after both sides had prepared briefs, which were duly presented to the tribunal before the end of the year, oral argument is now proceeding and will be continued next week. The publishers, through their counsel, W. N. Tilley, K.C., are arguing that a $50 price for newsprint will give the manufacturers ample profit and they are basing their contention on the evidence already admitted before Commissioner Pringle. The publishers' attack is being directed towards the mill costs, which they argue have been inflated by all sorts of devices, fair and unfair. Further on it will presumably be an object of the publishers to secure, if possible, the admission of new evidence before the tribunal. So far, the publishers have had the floor, but the manufacturers will have their turn next week.

Users of book paper are again being heard from and early in the week a meeting of publishers of magazines, farm papers, religious and business newspapers was held in Toronto to consider the situation. Protests against the attitude towards them of the Paper Controller were voiced, and it was decided to send a large delegation to Ottawa next week to wait on the Government and urge them to compel Mr. Pringle to carry out his instructions under the Order-in-council appointing him to investigate the rise in prices in book papers. It was also resolved at the meeting to have an alleged combine of book paper manufacturers investigated.

	Bid	Asked	Sale
Laurentide	195½	196½	194
Riordon	117¼	...	117¼
Spanish, com.	...	...	17½
Wayagamack	51½	52	51½
Brompton	60½	62	61
N. A. Pulp	...	...	2½
Price Bros.	...	...	147½
Toronto Paper	65	69	69
Smith, H., com.	...	...	65½
Provincial, com	...	...	49
Do., pref.	...	...	83
Abitibi	48	...	48¼

BROMPTON PULP

Referring to the purchase of the Odell Manufacturing Company of Groveton, New Hampshire, Greenshields & Company's *Review* deals with this fourth acquisition of the Brompton Pulp & Paper Company as follows: "This concern, which owns 31,000 acres of timber limits, and has an output of 200 tons a day, made up of 100 tons of sulphite pulp, of which 50 tons is bleached, 40 tons of bond papers and 60 tons of fibre papers, will form part of the Brompton's chain of plants. Brompton's output is now the most diversified of any large pulp and paper manufacturing company on the continent, and this diversity will prove a safeguard against the effects of reactionary trade tendencies in any special product. The common stock of the company, now selling around 61, and on a 5 per cent. dividend basis, we consider a good speculative investment."

LAURENTIDE

Trading in Laurentide reached a total of 1,567 shares on the Montreal Exchange this week. On Saturday and again on Monday the stock touched the recent high of 198, but on Tuesday, Wednesday and Thursday, possibly influenced by the newsprint hearing at Ottawa, there was a reaction, carrying the stock gradually back to 193.

SPANISH RIVER

The Spanish River issues have scarcely been touched this week. In the common dealings only extended to 125 shares and in the preferred to 180, comparing with 379 and 906 in the short New Year week. The common sold down from 18½ to 17½, while the preferred was slightly higher at 65 and 65½.

WAYAGAMACK

After its big spurt last week, Wayagamack quieted down this week, only 465 shares changing hands, as compared with 3,336. From the high of 55 touched on the first trading day of the New Year, the stock has sold down to 51, or but one point above the minimum.

BROMPTON

The fiscal year of Brompton Pulp & Paper Co. will show large increases in earnings, THE FINANCIAL POST is informed, and an early increase in dividend to 6 per cent., within a few months at least, may be looked for. The stock firmed a little this week, selling up from 60 to 61.

TRANSPORTATION

Increase in Railway Income Not Sufficient to Cover Costs of Operation—Men Want Eight-Hour Day

The returns of railroad earnings for December strengthened the gross for the year, and the twelve months' total showed a new high record for three Canadian roads of $272,044,032, an increase of $23,580,125, or 9.5 per cent. over 1917. The Grand Trunk Railway Company had the largest actual increase, and percentage as well, the figures being $12,645,925 increase, or 21.8%. The Canadian Northern was second with $5,867,200 increase, or 14.1%, and the C.P.R. third, contributing more than the total of the other two roads with $154,024,000, an increase of $5,087,000 or 3.4%.

When the increase of 15% in passenger and freight and later a total of 40% in freight rates is taken into account the gross does not work out to a clear increase in amount of business carried during the year as compared with 1917. Even the increase shown will not work out as net increases when the higher costs of operation are taken into consideration.

Below are given the totals for each of the last eight years, although in 1917 and 1918 the earnings of the Grand Trunk lines are excluded from August 1 to the end of each year. The table shows that 1914 was lower by over $90,000,000 in gross earnings than 1918. The comparative figures are as follows:

Year	
1918	*$272,044,032
1917	*248,463,907
1916	234,287,470
1915	184,222,742
1914	179,753,773
1913	218,723,579
1912	205,921,897
1911	174,270,714

*Does not include G.T.R. earnings on American lines from August 1.

Taking the various months of the present year it is seen that in January, May, June and July they fell below the figures of 1917, while December with an advance of $6,477,415 showed the largest increase, 31.9%. The records compare as follows with the corresponding figures of 1917:

1918	Gross	Change	%
Jan.	$ 17,368,662	—$ 82,326	.5
Feb.	15,551,381	+ 507,775	3.3
Mar.	20,960,579	+ 993,142	5.0
April	23,084,035	+ 2,847,924	14.1
May	23,342,318	— 366,985	1.5
June	23,017,449	— 264,270	1.1
July	22,752,872	— 18,808	.1
Aug.	22,748,338	+ 2,741,314	13.7
Sept.	23,689,425	+ 3,938,104	19.9
Oct.	27,037,087	+ 4,118,260	18.0
Nov.	25,716,772	+ 2,693,480	11.8
Dec.	26,775,114	+ 6,477,415	31.9
Totals	$272,044,032	+$23,580,125	9.5

Comparing the three roads the figures for the past two years are as follows:

	1918	Incr.	%
C.P.R.	$154,024,000	$ 5,087,000	3.4
G.T.R.	70,703,832	12,645,925	2.8
C.N.R.	47,316,200	5,847,200	14.1
	$272,044,032	$23,580,125	9.5

The combined membership of the Brotherhood of Railway Employees, extending from coast to coast, is making a demand upon the Dominion Railway War Board for an eight-hour day under the terms of the McAdoo order in the United States. The McAdoo wage scale is now being paid. A compromise suggestion is being considered by the Railway War Board, after conference with shipping interests, that an offer of an eight and a half hour day be made. Whether this will be considered by the men remains to be seen.

The American situation in railway securities has been much unsettled during the week on account of the various proposals in connection with the future of the systems. Progress is being made slowly as the Association of Railway Executives would have the charges for railroad service so adjusted as to not only meet the familiar word "reasonable," but also "to protect existing investments and to attract the new capital necessary in the public interest." And at the same time "properly reflect the cost of wages and all other expenses incident to the furnishing of transportation." This is a sample of the carefulness with which the railway leaders have prepared their ideas for returning the carriers to their owners, and it would seem as though a working basis at least is contained in the proposal for the major deliberation at Washington.

The controversy pro and con on the question of Government ownership continues in financial, business and political circles, and the situation is no more clearly outlined than a week ago.

CANADA STEAMSHIPS

Some disappointment is expressed among shareholders of Canada Steamship lines common stock at the recent decline from 50¾ to 45. This is taken to indicate that the earlier expectations of a 6 per cent. dividend will prove unfounded, and doubt is even now being expressed that more than 4 per cent. will be paid. The stock firmed a little to 45¾ this week. The preferred held around 78¾.

CANADIAN PACIFIC

For the last ten-day period of December gross earnings of the Canadian Pacific Railway totalled $4,613,000, an increase of $934,000 or 25.4 per cent. over the corresponding period in 1917. The total for the month of December, based on weekly returns totalled $5,604,000 against $12,927,000 for the same month in 1917, an increase of $2,677,000 or 20.7 per cent., while for the year the earnings were $154,024,000, an increase of $5,087,000 or 3.4 per cent. Comparative figures for December follow:

	1918	1917	Change	%
Dec. 7	$3,480,000	$3,289,000+	$ 191,000	5.8
Dec. 14	3,780,000	2,908,000+	872,000	30.0
Dec. 21	3,731,000	3,051,000+	680,000	22.2
Dec. 31	4,613,000	3,679,000+	934,000	25.4
	$15,604,000	12,927,000+	$2,677,000	20.7

The New York Sun prints the following statement as expressing the views of President Beatty on nationalization of Canada's railways: "When we know more about Government operation in Canada and in the United States we may modify or entirely alter the present arrangements. We shall be justified then in reconsidering our permanent policies. But to do so without the advantage of this information—information available in due time—in fact, without the knowledge essential to the determination of the problem would be, to my mind, the height of folly. Even though a Government co-ordination of Canadian railways rather than the present voluntary coordination through the Canadian Railway War Board should show an immediate saving to the people of Canada—and the experience of Government co-ordination of United States railways hold out little hope for any such saving—the sum involved would be a drop in the bucket compared to the larger ultimate losses which in the event of the failure of such policy must inevitably result, and which could not be corrected."

A few shares changed hands on the Canadian markets at 160. The last previous was 162½ about the middle of December.

CANADIAN NORTHERN

The Canadian Northern Railway reports gross earnings for the last ten-day period of December amounting to $1,566,200 compared with $865,100 for the corresponding period in 1917, an increase of $701,100 or 81 per cent., while for the month of December the total, based on weekly returns, was $5,043,000, a gain of $1,770,100 or 54.1 per cent. The earnings for the year, also based on weekly returns, totalled $47,816,000, an increase of $5,847,200 over the 1917 figures. Comparative figures follow:

	1918	1917	Change	%
Dec. 7	$1,138,100	$ 916,000+	$ 217,100	23.7
Dec. 14	1,067,000	753,800+	313,200	41.5
Dec. 21	1,277,000	738,300+	538,700	72.9
Dec. 31	1,566,200	865,100+	701,100	81.0
	$5,043,300	$3,273,200+	$1,770,100	54.1

GRAND TRUNK

During the last ten days of December gross earnings of the Grand Trunk Railway totalled $1,866,004 against $1,511,295 for the corresponding period in 1917, a gain of $354,709 or 23.4 per cent., whilst the total for the month of December, as based on weekly returns, was $6,125,814 compared with $4,097,499 in 1917, a gain of $2,028,315 or 49.5 per cent. Earnings for the year amounted to $70,703,832, an increase of $12,645,925 or 21.8 per cent. Comparative figures for December follow:

	1918	1917	Change	%
Dec. 7	$1,379,502	$ 861,442+	$ 518,060	60.1
Dec. 14	1,385,902	728,653+	657,249	90.2
Dec. 21	1,494,406	996,109+	498,297	50.0
Dec. 31	1,866,004	1,511,295+	354,709	23.4
	[illegible]25,814	$4,097,499+	$2,028,315	49.5

PUBLIC UTILITIES

Position of Public Utilities Companies Increase Weight of Argument For Higher Rates

There is little improvement in the outlook for the utilities companies in Canada. Costs of operation are on such a scale that higher income becomes increasingly necessary, and with few exceptions the public attitude is strongly opposed to anything like fair and reasonable treatment. Herman Pitts is out with another circular advocating the cost-at-service principle, evidently referring in particular to the Toronto problem, but this is condemned by the Toronto papers with a lack of consideration which confirms their attitude of blind allegance to the cause of public ownership.

If further evidence is necessary to prove that the past year has been the most difficult one in the history of electric railroads, if not for all public utility properties, then statistics recently at hand clinch the argument. A compilation made by the "Electric Railway Journal" shows that during 1918 the mileage of electric railways thrown into receivership was three and a half times the average for the last ten years, while the number of companies involved, 29, is a new record. Outstanding stock of these companies aggregated $92,130,000 and funded debt amounted to $163,257,000, also high records.

The "Business Digest" and "Investment Weekly" argues the case of the traction companies for the right to increase their fares on the ground of the abnormal and unforeseen conditions which have been created by the war. Under these conditions it is not considered that charter provisions and franchise limitations should constitute insuperable obstacles to granting the operating companies relief. Further:

> Such restrictions and limitations have not proved insurmountable in other large cities and towns of the country. Street railways in those cities and towns, and there are hundreds of instances, have been permitted to raise their fares from six to eight cents, and that for rides that are much shorter than the New York companies are compelled to give for the very same "nickel" that they were collecting a decade ago.
>
> Other classes of transportation have increased their fares, some of the steam railroads and interurban lines, for instance, more than 100 per cent. Nor has the movement to alleviate been confined to transportation plants. Public utility companies, suppliers of power and steam and gas and electricity, have been granted increases in service charges, while what has occurred in industrial and manufacturing circles is too well known to need specific mention. In all instances, increases were made in recognition of the fact that failure to do so would mean decreased or even discontinued service. And relatively little objection has been raised to these advances because the need of the increases was plain.

DULUTH-SUPERIOR

For the last ten-day period in December gross earnings of the Duluth-Superior Traction Company totalled $47,888 against $51,497 for the corresponding period in 1917, a decrease of $3,609 or 7 per cent. For the month of December the earnings totalled $145,142, a decline of $9,792 from the figures for the same month in 1917, while the total for the year was $1,654,427, a gain of $50,648 or 3.2 per cent. Following are comparative figures:

	1918	1917	Change	%
Dec. 7	$ 31,770	$ 33,518—	$ 1,748	5.2
Dec. 14	32,063	35,885—	1,821	5.4
Dec. 21	33,419	36,033—	2,613	7.3
Dec. 31	47,888	51,497—	3,609	7.0
Month	145,142	154,934—	9,792	6.3
Yr. to d'te	$1,654,427	$1,603,778+	$ 50,648	3.2

SHAWINIGAN WATER & POWER

In referring to the Shawinigan Water & Power Co., Grant, Johnston & Co., declare that this and its allied companies have a future which few power propositions have before them. "This company is in the position of manufacturing wholesale; it develops its own power and in addition buys from the Laurentide Power Company, something over 75,000 h.p., which can be increased to over 100,000 h.p., when the demand warrants, and sells this, together with its own power to the Montreal Light, Heat & Power Company, the Quebec Public Service Corporation, serving the City of Quebec; the Continental Light, Heat & Power Company, serving the asbestos

Continued on page 6

Route Your Shipments
CANADIAN NORTHERN

"Review *of the* Bond Market in Canada *for* 1918"

By E. R. WOOD, President, Dominion Securities Corporation, Limited.

Constant familiarity with current financial events is one of the prerequisites of successful investing.

We have prepared a pamphlet briefly reviewing the Canadian Financial situation during the year 1918. Final figures for the Victory Loan and comparative statistics of Canadian bond sales, 1910-1918, are included. We shall be glad to furnish a copy on request.

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Bonds to be in denominations as follows: one hundred at one hundred dollars; six hundred at five hundred dollars, and six hundred and ninety at one thousand dollars with interest coupons attached, and may be registered as to principal only.

Delivery and payment with accrued interest to be made against interim certificates on or before January 31st, 1919, at Imperial Bank of Canada, Toronto, where definitive bonds will be supplied on completion.

Every tender must be accompanied by a certified cheque for $20,000, payable to the Provincial Treasurer of Alberta. Tenders must be for the whole amount offered, the highest or any tender not necessarily accepted. Tenders specifying bonds other than those described or containing conditions varying from those prescribed above will not be considered.

Tenders are to be addressed to the Provincial Treasurer, Province of Alberta, care of the General Manager, Imperial Bank of Canada, Toronto, and delivered not later than noon on the 14th day of January, 1919.

C. R. MITCHELL,
Provincial Treasurer,
Province of Alberta.

Toronto, 9th January, 1919.

These Questions Affect *YOU*
Can You Answer Them?

1. Will the ending of the war help or hurt the price of such stocks as Baldwin, Bethlehem Steel, Midvale, etc.?
2. Are the coppers "peace" stocks or "war" stocks? What class do the automobile stocks come in? The oils?
3. Among the rails, are the standard dividend-payers or the low priced non-dividend payers the thing to buy?
4. As the war draws to its end, what is likely to be the course of interest rates? How will that affect the price of bonds?
5. Which are the best bonds to hold—the high-income producers or the old line investment issues?
6. Are short term notes or long term bonds the better proposition at present?
7. Does the putting into effect of the new tax law mean a general reduction in industrial dividends?
8. Can the stock market rise in the face of the tight money situation?
9. New influences on security prices are beginning to become operative. Do you know how to go about adjusting your investments so that you will be helped and not hurt?

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CASE FOR BELL COMPANY HAS BEEN CONCLUDED

C. F. Sise Presents the Arguments For Higher Rates

NO CONSIDERATION

Opposing Counsel For Municipalities Would Evidently See Company Ruined Before Permitting Increase

The opposition to the application of the Bell Telephone Company before the Railway Commission for the right to make certain rate increases is being strongly opposed. The right of a utility company to make sufficient profit to pay a reasonable return to investors receives no consideration from representatives of the municipalities. As Lawrence MacFarlane, representing the company, pointed out, opposing counsel seemed to think that the company should be ruined before it thought of increasing its revenue.

C. F. Sise, vice-president and general manager, stated that the application was based upon the advance in operating costs due to higher wages, more expensive materials, and a general increase in everything that contributed to the running of a telephone system. He tabled a number of statements comparing operating costs prevailing at present with those prevailing before the war and a year ago. The statement covering costs of material showed that there had been an increase of $872,469 in the price of the principal materials used in the construction and maintenance of the plant, based upon the quantities used in 1917, when compared with 1913. The percentage increase, according to the statement, was more than 62. The gross operating revenue of the company in 1913 was $8,397,463, and in 1917 it had grown to $11,179,162. The operating expenses increased from $3,214,564 in 1913 to $4,545,328 in 1917, and the annual cost of maintenance from $1,549,978 to $1,595,366. Taxes increased from $190,648 in 1913 to $422,427 in 1917. The increase in total expenses, comparing the year 1913 with 1917, was $2 397,930, the figures being $9,033,121 in 1917 and $6,635,191 in 1913. The net operating revenue in 1913 according to the statement was $1,762,272, and in 1917 $2,146,040.

Mr. Sise, in submitting his figures, emphasized the point that the company was merely asking for such increases in tolls as would re-establish a fair rate of return, taking into account the increased cost of furnishing service to the public.

An increase of more than 50 per cent. in the wages of all employees was a great factor in the increased cost of operation, said Mr. Sise. In some classes of labor the increase ran as high as seventy per cent. Costs of materials had also advanced tremendously in the five war years. With regard to the increased cost of labor, Mr. Sise explained that the McAdoo award had greatly affected labor conditions among telephone employees. The company had to pay more wages.

What Increase Means

Mr. Sise produced statements covering increases in taxes and embracing a large number of cities and towns of Ontario and Quebec. All cities, he said, had been forced to increase their tax rates.

An increase of 20 per cent. in exchange revenue, Mr. Sise said, was expected to yield $1,200,000 in the new revenue. He emphasized that in the reconstruction period there would be a comparative diminution in telephone business. A great many private exchanges were being taken out owing to the cessation of munitions work and of military activities.

Effect of New Moving Charges

As a basis for calculation of the proposed new moving charges, 17,979 moves of telephones were studied at irregular periods during 1917. New revenue from the proposed moving charges was estimated at:

Inside moves	$ 44.980
Outside moves	158,673
Total	$203,653

From this 10 per cent. would have to be deducted for expected reduction in moves owing to the new rates.

With the exception of a charge for the installation of a long-distance transmitter, Bell Telephone rates had not been changed for thirty years.

BANK OF TORONTO

Readjustment of Prices of Commodities and Services Necessary

At the annual meeting of the Bank of Toronto, General Manager Thos. F How said: "Net earnings on banking capital are not entirely in keeping with the expansion in resources, but it must be remembered that costs of operation have greatly increased during the past few years, while rates of interest and our charges for banking services generally have remained practically stationary."

Concerning the future he stated, "There must be a readjustment downward of prices for commodities and services, and, it is to be hoped, of production upward, until we reach a stable level on which all classes of business can proceed in security and comfort, and that level will be found only in time and by natural processes, but violent changes can be avoided, and we believe will be avoided, through the enterprise and forethought of our Government and their co-operation with the business and financial interests of the country."

CONIAGAS OUTPUT WAS REDUCED

While Price of Silver Was Higher, so Also Was Cost of Mining and Concentrating

As explained by the president, Lt.-Col. R. W. Leonard, in his annual address to shareholders, the future output of the Cobalt property of Coniagas Mines, Limited, depends more than ever on the low-grade ore more than ever on the low-grade ore concentrated at the mill. The extent of this ore, he states, is hard to determine, but the estimates of the mine manager would indicate that a further three years' supply is available, assuming a continuance of present market conditions.

In referring to the option on the Ankerite property at South Porcupine, which was dropped by the directors, President Leonard states that the company still owns three adjoining claims, comprising about 120 acres and carrying the extension of the Ankerite ore body. Another interest held by the company is that in Electric Steel & Engineering Ltd., a consolidation of the Wabi Iron Works, Ltd., in which the Coniagas Co. held stock; the Electric Steel & Metals Co. and the Boving Hydraulic & Engineering Co., Ltd., of Lindsay. From this company a dividend of 3½ per cent. on 137 shares of preferred stock was received.

The output of silver for the year ended October 31, 1918, was 974,264 ounces, as compared with 1,344,267 ounces in 1917. The average price realized for silver was 94.13 cents, comparing with 79.89 cents in 1917 and 63.11 cents in 1916. The combined sales of ore from the mine and the products of the Coniagas Reduction Co., Limited, aggregated $4,099,490. The net cost of mining and concentrating are was 33.87 cents per centrating ore was 33.87 cents per ounce. The reduced production and higher costs accounted for a decline in net profits from $641,334 in 1917 to $470,164 in 1918. Three dividends of 2½ per cent. each were paid during the fiscal year and a fourth dividend at the same rate, with a 2½ per cent. bonus was paid on November 1. This brings total payments to shareholders up to $9,240,000.

FINANCIAL WRITER DEAD

Late H. M. P. Eckhardt, An Authority on Banking Subjects

Readers of the financial press for many years past have become familiar with the name of H. M. P. Eckhardt as a writer of informing articles on banking subjects. They will now learn with regret of his death which occurred on Wednesday of this week in Muskoka, following a long illness. Mr. Eckhardt was formerly on the staff of the Merchants Bank but he retired some time ago and devoted himself to writing. He became recognized as an authority on financial matters, particularly as they related to banking, and at least two books from his pen are regarded as standards in banking practice. He was also consulted in connection with amendments to the Banking Act.

NEW MURRAY-KAY DIRECTOR

J. F. M. Stewart Joins Board of Toronto Department Store

In electing J. M. Stewart to the board of Murray-Kay, Limited, directors of that company have added an aggressive and resourceful young executive to their number. Mr. Stewart has gone far since he filled the position of secretary of the Canadian Manufacturers' Association and his interests to-day are widespread. He is prominent in industrial circles and has quite a connection among water transportation and shipbuilding companies. Besides this he is a large stockholder in one of the Montreal department stores.

Bainbridge Colby, of the United States Shiping Board, denies world-wide organization will be created for Government fleet. He states Board is anxious to restore requisitioned tonnage to owners at earliest practicable moment.

FURTHER ADVANCES IN BANK STOCKS

Commerce, Hamilton and the Union Were Star Performers During the Week

The bank stocks throughout the week have continued to hold the centre of the stock market stage. Commerce has been the outstanding feature. The week has seen an advance of 13 points to 214, which figure compares with 185 at the first of December—a total increase in six weeks of 29 points. Its high record in the past few years was 230⅛ in April, 1912. The large profits which the bank has been making as indicated by the additional $1,000,000 of income from "over appropriations" are evidently appealing to the investing public.

The Bank of Hamilton is another of the recent strong performers. The advance of the past week indicates a gain of fractionally over 11 points on quotations prevailing at last report. Union Bank is nearly as strong with a gain of 10 points, in which the increased dividend has no doubt been an important factor.

Comparative figures showing the movements of the past week follow:

	Last Jan. 2	Sales Jan. 9	Ch'ge
Commerce	201	214	+ 13
Dominion	*208	210	+ 2
Hamilton	*188⅛	200	+11⅞
Hochelaga	143	*143	...
Imperial	203	203	...
Merchants	181	183½	+ 2½
Molsons	179⅞	179¼	— ⅝
Montreal	216	215¾	— ¼
Nova Scotia	255	255	...
Royal	214	214	...
Standard	208⅜	210	+ 1⅝
Toronto	194	193½	— ½
Union	160	170	+ 10

*No sales this week.

BRITISH FOOD PURCHASES

OTTAWA.—Nearly a quarter of a million tons of meats, dairy products and eggs have been purchased by the British Ministry of Food in Canada up to the end of 1918. The exact total is 468,150,000 pounds. The provision section purchased directly 153,453 tons, made up of 86,438 tons bacon and ham, 420 tons lard, 222 tons butter, 1,674 tons milk, 4,533 tons preserved meat, and 60,164 tons frozen meat. In addition to this, the Dairy Produce Commission, on behalf of the British Ministry, purchased 80,622 tons of food, made up of 65,955 tons cheese, 3,988 tons butter, 10,334 tons milk, and 345 tons eggs, a combined total of 234,075 tons.

UNLISTED SECURITIES

STOCKS—	Bid	Ask
Abitibi Power, com.	47½	53
Alberta Pac. Grain, com.	115	125
Do., pref.	85	95
Atlantic Sugar, com.	20	23
Do., pref.	64	70
Belding-Paul, com.	18½	23
Do., pref.	80	...
British Amer. Ass.	9	...
Canada Machinery, com.	15½	19
Do., pref.	46	53
Carriage Factory, pref.	38	45
Can. Westinghouse	102	104
Canadian Oil, com.	43	46
Do., pref.	94	...
Dom. Power & Trans., com.	40	47
Eastern Car, pref.	48	55
Great West Life	220	230
Home Bank	68	72
Imperial Oil	340	...
Illinois Traction, pref.	71	74
Inter. Milling, pref.	85	...
Murray-Kay, pref.	24	28
A. Macdonald, pref.	89	94
Wm. Neilson, com.	54	...
Sterling Coal, com.	14	18
Sterling Bank	88	...
Standard Reliance	38½	43
Trust & Guarantee	71xD	
United Cigar, com.	....	50
United Cigar, pref.	125	...
Volcanic Oil & Gas	85	90
Universal Tool Steel	..	95
BONDS		
P. Burns, 1924, 6s	99	103
P. Burns, 1931, 6s	96	99
Canadian Cotton, 5s	79	83
Can. Steamship Dbs., 5s	82	85
Carriage Factories, 6s	84	89
Dominion Canners, 6s	91	94
Elec. Development, 5s	85	88
Eastern Car, 5s	89	85
Morrow Screw, 6s	87	90
Nova Scotia Steel, 6s	86	89
Ontario Pulp, 6s	83	86
Porto Rico, 5s	74	80
Riordon Pulp, 6s	93	95
Spanish River Pulp, 6s	84	86
Sterling Coal, 6s	71	76
Sao Paulo, 5s	80	85
Stone Limited, 6s	90	95
Toronto Power, 5s	85	87
Tor. & York Radial, 5s	95	98
Toronto Paper Co., 6s	86	92

DIVIDEND PAYMENTS

Company	Date	Rate	Record
Bell Telephone	Jan. 15	2%	Jan. 31
Hill. Collieries, com.	Jan. 15	1%	Dec. 31
Do., pref.	Jan. 15	1¾%	Dec. 31
Dom. Textile, pref.	Jan. 15	1¾%	Dec. 31
West'house Elec., pfd.	Jan. 15	1¾%	Dec. 31
Can. Fairbanks, pfd.	Jan. 15	3%	Dec. 31
Montreal Telegraph	Jan. 15	2%	Dec. 31
Asbestos Corp., com.	Jan. 15	1¼%	Jan. 1
Do., pref.	Jan. 15	1½%	Jan. 1
Loew's Theatres, pfd.	Jan. 15	1¾%	Dec. 3
Tuckett Tobacco	Jan. 15	1¾%	Dec. 31
H. Smith Paper, pref.	Jan. 15	1¾%	Jan. 10
Can. Cement, com.	Jan. 16	1½%	Dec. 31
Maple Leaf Mill., com.	Jan. 18	2½+1%	Jan. 8
Do., pref.	Jan. 18	1¾%	Jan. 3
Nipissing Mines	Jan. 20	5+5%	Dec. 31
Toronto Paper	Jan. 21	3%	....
West'house Elec., com.	Jan. 31	1¾%	Dec. 31
Bank Nationale	Jan. 31	2¼%	....
Can. Southern	Feb. 1	1½%	Dec. 31
Steel of Can., com.	Feb. 1	1½%	Jan. 10
Do., pref.	Feb. 1	1¾%	Jan. 10
Penmans, pref.	Feb. 1	1½%	Jan. 21
Merchants Bank	Feb. 1	2¾%	Jan. 15
Coniagas Mines	Feb. 1	2½%	....
Dom. Steel Corp., pref.	Feb. 1	1½%	Jan. 15
Dom. Coal, pref.	Feb. 1	1½%	Jan. 11
Penmans, com.	Feb. 15	1½%	Feb. 5
Kaministiquia Pr.	Feb. 15	2%	Jan. 31

NEWS OF SECURITIES

Continued from page 4.

district, and the South shore of the St. Lawrence; the North Shore Power Company, serving Three Rivers and the north shore of the St. Lawrence; as well as the electric and affiliated industries at Shawinigan Falls, which latter market is still in its infancy." The letter points out that the company has developed something like 350,000 h.p. in less than fifteen years, and it is left to the imagination to figure what will be the development in the next ten or fifteen years. They believe that Shawinigan stock, which at the market around 116 returns 6% on its dividend of 7%, with the increasing earnings that the company is making will increase its dividend in 1919 to 8 %.

"Before the war," the circular states, "Shawinigan sold at around 150, and it will sell there again within a reasonable time. The only thing that is keeping the stock around its present level is a convertible note issue of $4,000,000, placed in the United States during the war. A large part of the issue has been converted into common stock, and the balance will no doubt be converted before the issue becomes due in 1919. As soon as these notes are out of the way, Shawinigan will look cheap at present prices."

LAURENTIDE POWER CO.

Expectation of an initial dividend of 4 per cent. on Laurentide Power Co. seems to have centred now on April for an announcement. The stock was a shade easier this week, 60½ and 60¾.

MONTREAL TELEGRAPH CO.

The 72nd report of the Montreal Telegraph Company was presented on Thursday at the annual meeting. In making his report, the president, Wm. McMaster, stated that the company continues free of debt or encumbrance of any kind. The assets showed a slight increase from $2,313,681 to $2,314,422. There was a reduction in unclaimed dividends during the year to $1,569 and an increase in contingent fund from $119,741 to $121,029. Dividends during the year amounted to $160,000 at 8 per cent. F. W. Molson was elected to the Board to fill a vacancy created by the death of Lt.-Col. Bartlett McLennan, D.S.O.

ILLINOIS TRACTION

The announcement that the Interstate Commerce Commission has allowed the Illinois Traction Company an increase of 2 to 3 cents a mile or 50 per cent. on over 400 miles of the company's interurban lines, is coming in for much discussion. It is pointed out that gross for the month of November amounted to $1,343,654. Out of this $424,070 were earnings of an inter-urban lines. If 50 per cent. were added to this it would mean an increase of $2,500,000 a year, with no additional cost. This demonstrated how the company will benefit by the action of the Interstate Commerce Commission.

BARCELONA TRACTION

There was some activity in Barcelona Traction this week and at 13 the price was fractionally higher. The range was from this figure to 12¾. The address of President Peacock, referred to elsewhere, was generally received as confidence-inspiring. The following directors were elected: Marquis de Alella, Barcelona; Maurice Bauwens, Brussels; A. W. Burchard, New York; Robert Gowans, Toronto; J. S. Lovell, Toronto; Conde de Torroella de Montgri, Barcelona; Enrique Parellada, Barcelona; H. F. Parshall, London; J. H. Plummer, Toronto; Domingo Sert, Barcelona; E. R. Wood, Toronto; T. B. Macaulay, Montreal; Alfred Loewenstein, C. B. Brussels. The two last named are additions to the directorate. Mr. E. R. Peacock continues as president.

BRAZILIAN

The market for Brazilian Traction was comparatively steady this week with a somewhat easier tendency in evidence. Prices ranged from 52½ to 53¼ with the bulk of the transactions which were not of great volume at 53.

TORONTO RAILWAY

Annual figures in connection with the company's affairs are reviewed elsewhere in this issue, being given together with some extracts from and comments on the latest bulletin to shareholders from Director Pitts, of Ottawa, whose candidacy for the board a year ago was accompanied by rather dramatic developments.

The company will probably take three cases to the Privy Council next summer. These involve an action between the city and the company with regard to snow cleaning, a suit having to do with the fines for not operating sufficient cars under the ruling of the Railway and Municipal Board, and another being an appeal against the ruling in connection with the Queen Street bridge at the Don under which the company handed the city $80,000. In all $156,000 is involved in the three cases.

The appeal of the Electrical Development Company against the ruling under which a writ against the Attorney-General of Ontario and involving the Ontario Hydro-Electric was set aside has been dismissed at Osgoode Hall. This had to do with the order on the company under the ruling of the commission appointed by the Provincial Government to hand over to the Hydro Commission 25,000 horse-power from the development on the ground that the franchise agreement had been exceeded to this amount. This case will be carried to the Privy Council to get an interpretation of the contract in relation to the meaning of "commercial power."

The Ontario Power Company of Niagara Falls has issued another writ against the Toronto Power Company for an injunction restraining the defendants from discontinuing their supply of electrical energy to the plaintiffs under the terms of the agreement between the two companies dated October 13, 1915, and restraining the Toronto Power Company from enforcing any right under the said agreement to terminate the same upon fault of payment for electric energy delivered by defendants to the plaintiffs during the month of November, 1918.

TWIN CITY

There have been a few sales of Twin City during the week at 40 to 41, this price being somewhat better than last default of payment for electric energy

WINNIPEG ELECTRIC

With the minimum barriers removed there were a few sales of Winnipeg Electric this week at 45, this price being 3 points below the pegged price. However, offerings were small, although the "ask" dropped as low as 40 against 35 bid.

BELL TELEPHONE

The case for the Bell Telephone Company in its application for the right to increase rates has been completed before the Railway Commission. A summary of the hearing is given elsewhere. On January 22nd the sitting will be resumed to hear the arguments of the cities of Montreal, Hamilton, Toronto and Ottawa.

A few sales of the stock have taken place during the week at 130, unchanged.

OTHER STOCKS

AMES, HOLDEN, McCREADY

A sudden revival of interest took place this week in Ames, Holden, McCready stock. The preferred, with nearly five years of arrears accumulated, had been going begging around 65 and 66. This week it jumped to 70 and 71, and on Thursday reached 71½. Later in the day the stock was offered down to 71¼. The common jumped on a single sale from 26 to 28. Word is heard again of the United States Rubber Company making a bid for the stock. As to payment of dividends, THE FINANCIAL POST understands the announcement it made a couple of weeks ago that nothing will be done before the annual meeting in May, still holds true.

B.C. PACKERS

The final settling of the price for that part of the salmon pack requisitioned by the War Purchasing Commission of the British Ministry of Food, and the completion of payment for the pack, will relieve the serious financial difficulties under which the industry has been laboring for some time past. With the packing companies only being permitted to dispose of 25 per cent. of the cohoe pack, 30 per cent. of the pinks, and the chum pack, grades that have never found a very ready market in Canada, and with the long delays in taking over the grades requisitioned which represented by far the larger part of the 1,500,000 case pack, the financing of the season's expenses and the carrying of this large pack in storage has been a serious matter. The final settlement of price that occurred some days ago will once again put the Pacific Coast packers in a satisfactory position.

CANADA CEMENT

The apparently logical position in regard to Canada Cement was taken this week by the market, in view of the probable slow return of large business in cement for the company, when the stock held fairly stationary around 65 and 65½. The preferred was strong around 95½ with an odd lot at 96.

CANADIAN SALT

During the week there has been some revival of interest in Canadian Salt with sales at 135. This figure compares with last previous sales at 132 about the middle of December.

DOMINION CANNERS

The canning trade is fortunate in the revival of a strong market that has been lacking for some years past. The demand from the lumber camps has always been a big factor in the demand for canned goods, with the reduction in this industry during the war years, this large item was practically lost, and the deficit of business had to be made up from some other source or goods go abegging. Of recent date, however, this demand has come to life again, and has once again become a very substantial factor in business. Moreover, it is only a start, as the lumbering industry is just beginning to climb to a pinnacle. The lumbering business is reported to be heavier in British Columbia than it has ever been in the history of the province, and the effect of the $40,000,000 purchase of lumber recently announced in addition to the domestic demand will make this a market beyond anything that was ever believed possible in the past. More than that there is still a marked export demand that bids faifr to continue for some time to come. Altogether the canning industry is facing a not unsatisfactory future.

A. MACDONALD

Word has reached THE FINANCIAL POST from Winnipeg that 90 per cent. of the preferred shareholders of the A. Macdonald Company have accepted the proposal to receive in additional stock the arrears amounting to nearly five years due on the preferred, and that the arrangement will go through. Beginning the first of the year the name was changed to Western Grocers. It is believed that the dividends on the preferred will be started about the first of April. The past year will show earnings far above those of 1917, although the banking indebtedness is forced to remain high owing to the high cost of goods. The common has fluctuated from 21 to as high as 23 for an odd lot. The preferred is held at about 93.

NATIONAL BREWERIES

The annual meeting of the National Breweries, Limited, which was called for January 15 next, will be adjourned to a later date. There is some expectation among the directors that a modification will be made by the Quebec Government and Ottawa of the enactment that would close the breweries on April 30, to all except "temperance" drinks. The preferred sold on Wednesday in two 100 lots at 53, a gain of 3 points since the last sale in November.

PETROLEUM

There was a renewal of strength in the market for International Petroleum this week with sales at $19.50 and $19.25. It was reported in New York early last week that a pool had been formed in International Petroleum, and this was borne out to some extent in the activity and strength of the issue during the week.

Route Your Shipments
CANADIAN NORTHERN

DIVIDEND NOTICES

Dominion Steel Corporation Limited

NOTICE OF PREFERENCE SHARE DIVIDEND No. 28

A QUARTERLY Dividend of One and One-half per cent. on the Preference Shares of the Dominion Steel Corporation, Limited, has been declared, payable 1st February, to Shareholders of record on 15th January, 1919.

The Transfer Books will be closed from 16th January to 1st February, 1919, both days inclusive.

By order of the Board of Directors,
C. S. CAMERON,
Secretary.
Montreal, January 3rd, 1919.

Barcelona Traction, Light & Power Company, Limited

(Incorporated under the Laws of the Dominion of Canada)

5½% First Mortgage 50-year Bonds

NOTICE IS HEREBY GIVEN that in accordance with the reorganization scheme approved at the meeting of the holders of the above bonds, held on the 19th December, 1918, 1% will be paid at any of the undermentioned banks on and after the 6th January, 1919, in full discharge of the half year's interest on the above bonds, due on the 1st December, 1918, against surrender of Coupon No. 14.

LONDON, Bank of Scotland; BRUSSELS, Banque de Paris et des Pays-Bas, Banque de Bruxelles, Banque d'Outremer, Societe Francaise de Banque et de Depots, Nagelmackers Fils & Cie, Caisse Generale de Reports et de Depots; PARIS, Societe Generale; TORONTO, Canadian Bank of Commerce.

Coupons of the face value of £0:10:0 will accordingly, entitle holders to receive £0:4:0 in London, Frs. 5.03 in Paris and Brussels, or 97c in Toronto, Canada; and coupons of the face value of £2:10:0 will entitle holders to receive £1:0:0 in London; Frs. 25.16 in Paris and Brussels, or $4.86 in Toronto, Canada. The above payments are subject to income tax, if payable.

Forms of Listing and Declaration of Ownership can be obtained from the above banks.

Dated this 4th day of January, 1919.
For BARCELONA TRACTION, LIGHT & POWER COMPANY, LIMITED.
R. H. MERRY, Secretary.

ANNUAL MEETINGS

Bank of Nova Scotia

NOTICE is hereby given that the Annual General Meeting of the Shareholders of this Bank will be held in the Banking House, Hollis Street, Halifax, on Wednesday, the 22nd January next, at Eleven o'clock, a.m., for the purpose of receiving a statement of the affairs of the Bank, for the election of Directors and for other business.

By order of the Board,
H. A. RICHARDSON,
General Manager.
Halifax, N.S., Dec. 14th, 1918.

The Canadian Bank of Commerce

THE Annual General Meeting of the Shareholders of this Bank for the election of Directors and for other business will be held at the Banking House in Toronto on Tuesday, the 14th day of January next.

The chair will be taken at 12 o'clock noon.

By order of the Board.
JOHN AIRD,
General Manager.
Toronto, December 7th, 1918.

There May Be Unexpected Value In Your Unlisted Securities

Let us place a valuation on your holdings and advise you as to to their future possibilities.

We are specialists in unlisteds and our service and monthly letters are yours for the asking.

T. A. Richardson and Company
INVESTMENT BANKERS
Royal Bank Bldg., Toronto

Route Your Shipments
CANADIAN NORTHERN

NOTICES

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January, 1919.
RACTION LIGHT &
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MERRY, Secretary.

EETINGS

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General Manager.
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DEVELOPMENT OF WEST HINGES ON RESOURCES

Continued from page 1

ficient moisture for producing the 1919 crop.

Condition of Land

In a large area of Alberta and Saskatchewan where lands have been prepared for cropping for 1919, the soil is so dry, even after freezing had been going on for some time, that floating, discing and harrowing could be done without much difficulty. The fact is there is a great feeling of uncertainty as to 1919, the farmers all realizing that unless rains come by the 15th of May the seed, even if planted, will not germinate. However, there is a very large acreage ready for cropping, and farmers are planning on planting every acre and taking the chances of spring precipitation to produce a crop in 1919.

Seed Grain

On account of the extremely dry and unsatisfactory year many parts of Alberta and the West did not produce a quality of grain suitable for seed, and especially is this true with oats. The Government is taking a strong hand in the matter and massing all their terminal elevators and select private-owned elevators for massing and storing both wheat and oats for seed. This is a move in the right direction and one absolutely necessary in view of the fact that on account of the entire loss of crops a large number of farmers will have to depend upon the Government supplying them with seed and carrying the cost over until the fall of the coming year for payment. However, it is well known by grain growers that seed collected from different parts of the country and mixed together does not produce as good results as straight lots grown on the same land, and is too apt to carry with it a certain quantity of noxious weed seeds from one district and introduce it into another, which is a very undesirable condition. The tardiness of the Government in former years when it took a hand in furnishing seed to have their arrangements made in time to get their seed on lands ready for planting at the right time, and also to relieve the farmer of the uncertainty of whether he would be supplied or not, has worked a hardship, and from present conditions it would seem the same tactics will be in evidence this year.

Feed for Stock

Stock feed has been a very scarce article in many parts of the country and very plentiful in others, especially in the north country, and the Government has done a very magnanimous thing by taking upon itself, together with the railways, the cost of transportation from the point of production to the point where it is actually required, and in this way there is every reason to believe that the stock that has been kept over for winter feeding will come out alright in the spring. The winter up to the present time has been a most favorable one, requiring but very little feed up to the new year. Stock has been sold off pretty short, which reduces the necessity for so large an amount of feed, but this will have the effect of reducing the number to such an extent that there will not be sufficient to consume the feed that will be available in 1919.

Building

On account of the failure of crops in 1918, there is not much evidence of there being any great activity in adding to the buildings, especially in the farming communities. This is affected by, first, the high cost of building material; second, the high cost of skilled labor, and third, the lack of funds caused by the loss of the crops. Most of the activities of farmers after their crops are in will be directed to the bringing under cultivation of whatever lands are still available for cultivation for the succeeding crop.

Labor Problems

The labor situation is serious in relation to the mining industry. Frankly I can see nothing ahead that will better the situation, and would not be surprised before spring to find a very critical shortage of coal on account of the small supplies on hand. This matter of labor extends into all branches just about the same, and the return of the soldiers from the front seems to have very little effect on it so far. There is great apprehension that the soldier labor will be very arbitrary for some time as has been [illegible] experience so far, arguing from [illegible]ndpoint that they have bee[illegible] and did their bit and tha[illegible]y owes them a living, wh[illegible]ork or not. So long a[illegible]on exists, just so long [illegible]tion and permanent develo[illegible] hindered, for but very [illegible]e to undertake any large [illegible] when we are in jeopardy as[illegible]atter of labor for carrying [illegible]ere is every reason to believe the price of labor will be [illegible]y lower in 1919 than in 1918.

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Jan. 10 in stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active **(Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")**

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1917	Dividends 1915	Dividends 1916	Dividends 1917	Last Dividend Date 1918-19	Rate	Yield to Jan.	BANKS	Range 1915 High	Range 1915 Low	Range 1916 High	Range 1916 Low	Range 1917 High	Range 1917 Low	High	Date	Range 1918 to Dec. 31 Low	Date	Close Jan. 10 1918 Ask	Bid	Close Jan. 9 Ask	Bid	Week ending Jan 9 High	Low	Close	Sales	Minimum
4,866,666	3,017,333	428,844	13 70	7	7	8	5th Oct.	s. 4	4.84	British North America	145	145	112	110	112	112	165	Oct. 4	112	Feb. 28									112
15,000,000	13,500,000	1,332,074	17 58	10+2	10+2	10+2	3rd Dec.	s. 2½+1	4.97	Commerce	205	203	203	183	188	182½	202	Dec. 28	183¼	Jan. 12	185			214	215	203	214	135	185
6,000,000	7,000,000	393,004	17 75	12	12	12	2nd Jan.	q. 3	5.76	Dominion	229½	227	220	204	212½	202	209½	Dec 17	199	Jan. 7	199			210	210	210	210	2	202
3,000,000	3,300,000	232,421	19 95	12	12	12	2nd Dec.	q. 3	6.38	Hamilton	208	201	197	246¾	192	184	188⅛	Dec 13	184	Feb. 6				195	200	200	200	6	184
4,000,000	3,700,000	45,022	14 13	9	9	9	3rd Dec.	q. 2¼	6.29	Hochelaga	150	149	149	145	145	140	140	Dec. 30	140	Jan. 28								.....	140
7,000,000	7,000,000	1,204,942	16 92	12	12	12	1st Nov.	q. 3	5.91	Imperial	214	210	203	180	200½	185	202½	Dec 37	185	Jan. 2	183		203½	203	203⅛	203	203	42	185
1,946,806	300,000	145,238	11 15	7	5	5	2nd Dec.	q. 1¼	4.42	Home Bank	.....	.....	.....															.....	.....
7,000,000	7,000,000	437,973	17 66	10	10	10	1st Nov.	q. 2½	5.52	Merchants	180	180	180	150	170	167	180	Dec. 17	167	Jan. 2	167			181	183⅛	180	183⅛	89	167
4,000,000	4,800,000	151,826	15 38	11	11	11	2nd Jan.	q. 2¾	6.11	Molsons	202	200	195	182	186	179⅛	179⅞	Mar 13	179⅛	Dec. 6					180⅛	179⅛	179⅛	49	179⅞
16,000,000	16,000,000	1,664,893	15 48	10+2	10+2	10+2	2ndDec.	q.2½+1	4.62	Montreal	240	234	240½	219	234	210	218½	Dec 16	210	Jan. 8	210		218	216	216	215⅜	215⅜	74	210
2,000,000	2,000,000	59,965	20 88	8	8	8	2nd Nov.	q. 2¼	6.08	Nationale	132¾	132¾	134	134	149	134	148											.....	148
6,500,000	12,000,000	560,269	19 92	14	14	14	2nd Jan.	q. 3½	5.51	Nova Scotia	265	261	261	254	257½	248½	255	Dec., 31	248	Jan. 3	244⅛			255	255	255	255	26	201
4,000,000	4,750,000	118,179	15 40	12	12	12	2nd Dec.	q. 3	5.82	Ottawa	207	207	204	202	202	200	206	Dec. 30	201	June 20			208	204	206	203	206	228	198
12,911,700	14,000,000	564,264	18 02	12	12	12	2nd Dec.	q. 3	5.60	Royal	223	221¼	221¼	210	214	208	215	Dec 24	205	Jan. 7	205		214	212	214	213	214	137	208
3,453,240	4,453,290	175,216	19 08	13	13	13	1st Nov.	q. 3¼	6.25	Standard	220	215	221	211¼	215	200	208⅜	Dec. 27	200	Jan. 2	200			210	210	209⅝	210	11	206
1,216,932	350,000	0,873	15 38	6	6	6	15th Nov.	q. 1½	6.12	Sterling	98½	98	.....	.....														.....	.....
5,000,000	6,000,000	555,306	16 05	11	11	11	2nd Dec.	q. 2¾	5.67	Toronto	211	207	215⅛	190	192	187⅛	193½	Dec. 24	184¼	Jan. 5	184⅛		193⅛	193	194	193	193	31	187
5,000,000	3,400,000	106,624	15 26	8+1	8+1	8+1	2nd Dec.	q. 2½	5.62	Union	140½	140	140	132	142	135	162	July 30	137	Jan. 2		137	175		171	161	170	87	136

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1916	1917																							
27,450,000	8,483,500	50,867,325	.....						Barcelona, T. L. and P.	17⅜	7⅜	17	19	17	8	15½	Nov	8¾	Jan. 17	9⅛	8¾	13	12¾	13	12⅝	13	375	.....
196,417,800	.....	7,500,000	5,190,986	4	1	1st Jan.	q. 1	7.69	Brazilian Traction L. and P.	59¾	45	62⅝	43	47¾	31¾	60¼	Nov 12	32	Jan. 2	32¼	32⅛	53	52⅛	53¼	52⅛	52⅛	433	32
.....	10,000,000	.....	.....	6	6	1st Jan.	q. 1½	.....	Brazilian Traction, Pref.	.....	.....	.....	.....	.....	.....													
12,000,000	.....	7,896,366	2,374,754						Canada Steamships Lines, Com	20	6	45	16	45⅝	29¾	51	Dec. 23	39	May 15	40¼	40	46	45⅛	45⅞	45	45⅞	1,175	39¾
.....	12,500,000	.....	.....	5¼	19.83	2nd Jan.	q 1¾	8.86	" " " Pref	76½	59	95½	89¾	93¾	71	80¼	Dec. 9	72½	Jan. 2	76	75	78¾	78½	79	78	78¾	435	72⅛
260,000,000	80,681,921	271,934,882	240,909,813	10	10	1st Jan.	q. 2½	6.17	Canadian Pacific Railway	195½	139¾	182½	163¾	167½	127¾	173	Aug. 27	137¾	Jan. 5	139⅛	138⅛	.....	.....	160	160	160	10	.....
15,000,000	.....	35,326,500	7,978,243	6¾	7¾	1st Dec.	q. 2	6.66	Detroit United	73	62	128⅛	69	128	104¾	.....												102⅛
3,500,000	1,500,000	3,500,000	622,620	.....	2	2nd Jan.	s. 1	4 87	Duluth Superior Traction Co., Com.	60	55	49	37	51	40	42	Jan. 2	41	Jan. 7	41								41
12,331,000	.....	4,562,000	1,726,008	3	3				Illinois Traction, Com.	.....	.....	.....	.....	.....	.....													35
.....	7,289,500	.....	.....	6	6	2nd Jan.	q. 1½	7.50	Illinois Traction, Preferred	93	91	91	87¾	89	79	80	Jan. 8			80								80
20,000,000	.....	16,381,333	.....			1st Nov.'13	q. 1¾	.....	Mexico Tramways Co.	.....	.....	.....	.....	.....	.....													
25,206,800	12,603,400	87,269,600	19,911,878	7	7	15th Oct.	s. 3½	.73	Minn., St. P. and S.S.M., com	126¾	116½	.....	.....	.....	.....													
3,394,300	.....	35,608,153	1,256,449	10	10	1st Aug.	q. 2½	6.66	Montreal Tramways	220	220	.....	.....	181	144	150	Feb. 22											150
9,000,000	4,465,500	14,075,000	2,428,908	5	5	15th Sept.	q. 1¼	6.84	Northern Ohio Traction	73	73																	
3,000,000	.....	3,931,666	173,084	.....	.....	1st Oct. '14	p. 1	10 81	Porto Rico Railways Co., Com	51	45	49½	30	42	30	37	Aug. 16	25¼	May 3									
.....	1,000,000	.....	.....	7	7	1st Jan.	q. 1¾	8.75	" " " " Pref.	.....	.....	30	.....	80	80													
9,999,500	.....	10,797,000	684,572	.....	.....	15th Jan.'12	q. 1 p	21.05	Quebec Railway L., Heat & P. Co.	20½	9⅛	45	14	35½	14¾	22½	May 16	15	Jan. 12			19	18	18¾	18½	18⅛	70	15
12,000,000	.....	2,957,200	6,273,472	8	8	2nd Jan.	q 1	6.89	Toronto Railway	117½	111	111	72	90½	58½	63	Feb. 5	58	Jan. 3	60	59	52	.....	55	54⅛	54⅛	40	58
22,000,000	3,000,000	20,263,000	1,285,804	6	6	2nd Jan.	q 1	8.33	Twin City, common	101	93	101	93⅜	95	53	65½	Jan. 28	39½	June 17	.....	65	42	39	41	40	40	140	.....
9,000,000	.....	10,880,000	1,407,658	.....	.....	1st Jan.'16	q. 2¼	18.75	Winnipeg Electric	186½	180	110	90	81	36	48	Jan. 25	.....		.....		40	35	45	45	45	10	48

TELEGRAPH, LIGHT AND POWER UTILITIES

18,000,000	.....	11,149,000	2,181,025	8	8	15th Oct.	q. 2	6.15	Bell Telephone	159	140	152	140	150	129	132⅛	Feb. 2	128	Jan. 7	130	.....	130	.....	130	130	130	15	125
5,336,340	.....	.....	.....	10	10	2nd Jan.	q. 2½	6.80	Consumers Gas	185	176	176	160	165½	147	153	Oct. 4	144⅛	Mar. 21	148	147	.....	150	150¼	150	150⅛	10	144⅛
1,900,000	.....	2,999,813	177,747	.....	.....				Calgary Power	.....	.....	.....	.....	.....	.....													
41,380,400	.....	.....	1,918,452	5	1⅛	2nd Jan.	q. 1½	8.10	Mackay, common	70¼	65	69¼	64½	90	70¾	79¾	Sept. 5	72½	Jan. 3	76	74½	75	74	75½	74	75	157	.....
.....	50,000,000	.....	.....	4	4	2nd Jan.	q. 1	6.15	" preferred	46	46	15	15	68	59	65¾	Apr. 26	56½	Jan. 28	59⅛	59	66⅛	65	65	65	65	5	.....
13,585,000	6,000,000	21,073,833	318 522	.....	.....	30th Dec.'13th	q.1	.....	Mexican Light and Power Co., com	.....	.....	.....	.....	.....	.....	20	Oct. 18	18	Oct. 17									
63,965,800	.....	.....	1,585,313	.....	4	15th Nov.	q. 1	4.59	Montreal L., H. and Power Cons	.....	.....	.....	.....	82⅞	67⅛	88½	Sept 6	68¼	Jan. 4	68⅛	.....	87¾	87⅞	88	87½	87⅞	1.138	68⅛
3,483,520	.....	1,275,000	805,499	6	6	1st Jan.	q. 1½	7 31	Ottawa, Light, Heat and Power Co.	123	120	95¼	92	92	69¾	86	Sept. 5	69	Jan. 14	.....								69½
15,000,000	.....	12 8 8 761	2 992 348	7	7	10th Jan.	q. 1¾	6.08	Shawinigan Water and Power Co.	139½	110	137	126¾	130½	107	118¾	Dec. 17	105	Jan. 23	107	.....	115⅛	115	115⅛	115	115	400	107¼

INDUSTRIALS AND MISCELLANEOUS

5,000,000	1,000,000	5,953,200	632,047	1¾	7	2nd Jan.	1¾	14.28	Abitibi Power and Paper, com	.....	.....	.....	.....	58⅛	48	51½	Oct. 3	48	Apr. 2				48	48¼	48	48⅛	35	48
6,514,000	7,895,200	.....	525,402	.....	.....	.....		.....	Amer. Cyanamid, com.	.....	.....	.....	.....	30	19	35⅝	Mar. 18	21	Jan. 5	24	20							
3,500,000	.....	1,563,666	507,408	.....	.....	.....		.....	Ames Holden McCready Co., com	23	7⅞	35	19½	23½	12	28	Aug. 6	15	Apr. 25			29	28	28½	26	28½	341	15⅜
.....	2,500,000	.....	.....	.....	.....	1st July '14	q. 1¾	10.76	" " pref	75	55	80½	52	61	47	72½	Aug. 7	47	Jan. 4	50		73	71	71⅛	66	71	655	47¼
4,265,600	.....	.....	.....	4	4	21st Nov.	q. 1¾	10.63	British Col. Fish, com	.....	.....	.....	.....	56	35	52½	Aug. 10	40	Jan. 26			49	47	49	48⅛	49	35	38⅛
7,000,000	2,000,000	1,524,000	319,825	.....	5	7th Nov.	1+¼	6.66	Brompton Pulp and Paper, com	.....	.....	.....	.....	59	38	63½	Oct. 4	41¾	Jan. 2	44	42⅞	62	60½	61	60	61	124	39½
750,000	.....	.....	497,863	6	6	2nd Jan.	q. 1½	9.23	F. N. Burt Company, com	72½	70	88	72	82	65	67	May 8	63⅛	Dec. 16			75	70	72	72	72	20	63
.....	1,975,200	.....	.....	7	7	2nd Jan.	q. 1¾	7.77	" " " pref	75	89	96	86	93⅛	86	90	Dec. 28	84¾	Jan. 11	86								84
2,500,000	.....	3,750,000	153,523	.....	2	2nd Jan. '17,	2	.....	Canada Bread, com	31⅛	29	30	16½	20	13	24½	Dec. 5	16	Jan. 3			23⅛	22½	23⅛	23⅛	23⅜	100	
.....	1,250,000	.....	.....	7	7	2nd Jan.	q. 1¾	8.43	" " pref	90¼	90	90	87	86½	80	83¾	Apr. 24	83¼	Mar. 20									81
13,500,000	.....	7,055,073	3,746,999	4½	6	10th Jan.	q. 1½	9.23	Canada Cement, com	48½	28	73	37¾	69⅞	52	69¾	Nov. 4	56½	Jan. 17	57⅛	57	65¾	65¼	65½	65	65	1 107	55⅛
.....	10,500,000	.....	.....	7	7	16th Nov.	q. 1¾	7.36	" " pref	98½	89¾	9	86	95¾	90	96	Dec. 7	90	Feb. 3	90			94	96	95	96	145	90¼
4,963,700	.....	5,385,603	3,340,063	.....	.....	2nd June '14	s. 2	13 79	Canadian Car and Foundry, com	120	52	75	32	46½	17	38¼	Aug. 28	18½	Jan. 2	18		30	29	31¼	30	30	795	18½
.....	7,500,000	.....	.....	.....	.....	10th Jan.	q. 1¾	8.23	" " " pref	117	98	94	1¾	89	49	91	Aug. 0	49⅛	Jan. 3			85	84	85⅞	84¾	84¾	461	49½
1,733,500	.....	399,000	541,711	.....	3	15th Nov.	.q. 1½	10.86	Canadian Converters	44	34	46	34	43	39	50	Sept. 28	43	Mar. 20	48⅛								43½
2,715,500	.....	4,688,000	1,948,109	3	4	4th Jan.	q. 1½	8.69	Canadian Cottons, Limited com	40	24	65	39	56	46½	70	Aug. 28	48½	Jan. 4			68		68	68	68	50	48
.....	3,661,500	.....	.....	6	6	1st Jan.	q. 1½	7.89	Canadian Cottons, Limited, pref	77	71	82½	75¼	82	75	77	[illegible]	75	July 5	76								
1,600,000	1,500,000	.....	1,340,439	3	9	15th July	s. 3	.....	Canadian Fairbanks-Morse, pref.	95	95					.....		.....										
960,000	.....	366,100	1,128,281	10+9	1¼+3	15th Nov.	q. 3	6.18	Canadian Foundries & Forgings, co	.....	.....	217	170	205	150	213	Sept. 12	150	Feb. 2					192	192	192	113	15
.....	960,000	.....	.....	7	7	15th Nov.	q. 1¾	7 21	" pref	.....	.....	90	85	84	82	97	Nov. 2	90	Sept. 19									
2,000,000	.....	1,500,000	1,657,324	.....	3	1st Jan.	q. 1½	9.37	Canadian Locomotive Co., com	64½	30	64½	51	64	52½	69⅛	Sept. 5	58	Jan. 31				63½	63⅜	63	63	75	
.....	1,500,000	.....	.....	7	7	1st Jan.	q. 1¾	7.77	" " " pref	90	78	99	81	91⅛	83	90½	Sept. 19	83	Feb. 6						90	90	12	
2,805,500	.....	9,500,000	4,305,934	.....	.....	15th Oct. '14		.....	Can. Consolidated Rubber, com	91	91	91	84	99¾	90	100	Mar. 26	.....										
.....	3,000,000	.....	.....	7	7	31st Dec.	q. 1¾	7 14	" " pref	101	100	97	91	99¾	95	98	Sept. 13	97	Feb. 26									
8,000,000	.....	.....	4,466,293	8	8	2nd Jan.	q. 2	7.76	Canadian General Electric, com	128	90¼	121	108	115⅛	99⅛	110	Dec. 21	99⅛	Jan 2	102	100	104⅛	103⅛	104⅛	103⅞	[illegible]	75	99⅛
.....	2,000,000	.....	.....	7	7	2nd Jan.	s. 3½	6 36	" " pref	110½	110	112	110	106	94⅛	100	Apr. 30	.....										
1,200,000	.....	477,000	305,830	.....	.....	.....		.....	Carriage Factories, Limited, com	53⅛	35⅛	44	29¾	25	9¾	17	July 26	15	July 27									15
.....	1,200,800	.....	.....	.....	.....	15th July '15	q. 1¾	10.00	" " pref	81	75	75	60	.....	.....	.....		.....										58
565,000	.....	61,612	90,802	4	.....	1st Oct.'16	q. 2	16.00	City Dairy, com	100	98	98	89	30	30	50	Oct. 16	30	Mar. 22									30
.....	700,000	.....	.....	5¼	.....	2nd Jan.	q. 1¾	8.33	" " pref	102	98	100½	92	70	60	87	May 30	60	Feb. 14									60
6,500,000	.....	.....	1,679,591	8+12	9⅝+2	15th Nov.	q. 2	6.50	Dominion Bridge Co.	230	107	231⅛	160	170	125	128	Sept. 9	123	May 18									123
2,794,000	.....	1,771,175	1,140,339	.....	.....	1st Apr.'14	q.	.....	Dominion Canners, com	35	31	22	15	26	19	43	May 22	20	Mar. 9									23¾
.....	2,290,600	.....	.....	.....	7	2nd Jan.	q. 1¾	9.58	" " pref	.....	.....	65	61⅛	78	65	81	Mar 21	65	May 14									
37,097,700	7,000,000	21,206,777	15,562,286	.....	4½	1st Jan.	q. 1½	9.67	Dominion Steel Corporation, com	51	19⅞	82	43	71¼	50¾	65	Aug. 26	53	Jan. 5	55¾	55¼	62½	61⅛	62½	62	62¼	1,205	50¾
.....	5,000,000	13 861 880	.....	7	7	1st Oct.	s. 3½	7.52	Dominion Iron and Steel, pref.	96	71	105	90	95	87½	98	Sept. 4	88	Jan. 4	88			93½	94	93½	93⅛	549	88
15,000,000	3,000,000	6 162 000	.....	7	7	1st Nov.	q. 1¾	7.44	Dominion Coal, pref	101	98	99	93	96⅛	85	95	June 24	94¼	Jan. 9	94¼								94¼
5,000,000	.....	3,267,500	2,189,194	6	7	2nd Jan.	q. 2	8.00	Dominion Textile, com	77	64	90½	74⅛	89	76⅛	100⅛	Dec. 2	80¾	Jan. 3	85	81¼	103	102¼	104	101	103	275	80¾
.....	1,940,600	.....	.....	7	7	15th Oct.	q. 1¾	7.00	" " pref	103	101	105	101	105	99⅛	102	Sept. 3	100	Jan. 7	100			101⅛	101⅛	101⅛		25	100
2,250,500	.....	1,150,000	520,221	.....	.....	.....		.....	Goodwins, Limited, com	28	26	40	40	.....	.....	15	Sept. 26	11	Sept. 25									
.....	1,750,000	.....	.....	.....	.....	2nd July '14	q. 1¾	.....	" " pref	.....	.....	75	40	45	45	45	Dec. 9	.....										45
747,500	.....	236,000	1,141,337	6	6	2nd Jan.	q. 1½	6.00	Goulds Manufacturing Co., com	.....	.....	.....	.....	100	100	100	Dec. 6	.....										100
.....	747,500	.....	.....	7	7	2nd Jan.	q. 1¾	7 00	" " pref	.....	.....	.....	.....	100	100	100	Aug. 19	.....										100
6 265,005	500,000	.....	905,614	.....	.....	.....		.....	International Petroleum	.....	.....	.....	.....	15.30	11.60	20 50	Dec. 30	13 00	Feb. 1	13.50	13.00			19.50	19.25	19.25	25	.....
40,000,000	.....	8,294,000	4,541	.....	.....	.....		.....	Lake Superior Corporation	9⅞	9⅞	.....	.....	24	10¼													
2,100,000	.....	900,000	831,883	8	8	2nd Dec.	q. 2½	6.06	Lake of Woods Milling Co., com	137	129	136¼	122	130	120	169	Dec. 30	120⅛	Jan. 17	.....		163		164	163	163	70	120⅛
.....	1,500,000	.....	.....	7	7	2nd Dec.	q. 1¾	6 79	" " " pref	122	120	129	116	116	116	110	Apr 3	100	June 25									
9,600,000	.....	656,443	1,783,458	8	10	2nd Jan.	q. 3	6.09	Laurentide Co	198	160	217⅛	176	195	152	194¾	Dec. 19	152	Jan. 3	158	154½	196½	195⅛	198	193	194	1,567	152
1,750,000	1,300,000	1,038,600	365,852	.....	2	10th Jan.	2		Lyall Construction Co., com	.....	.....	93	25	80	53	85½	Sept. 25	62	Jan. 2									62
3,000,000	1,766,800	.....	190,908	.....	.....	30th June '13			A. Macdonald Co. com.	14	7	19⅛	10	15⅞	8	23	Oct. 2	13⅛	Jan. 4	14¼	13⅛	22⅛	21⅝	23	22	23	6	13⅛
2,500,000	.....	.....	1,572,508	9	22½	18th Oct.	q.2½+1	7.35	Maple Leaf Milling, com	68	30½	122	100	115	90	140	Nov. 15	91	Jan. 18	93⅞		135	133	137	133	133	805	86
.....	2,500,000	.....	.....	7	7	18th Oct.	q. 1¾	7.14	" " " pref	98	88	108	93	103	91¾	98½	Dec. 2	91⅛	Jan. 7	91⅛		98	96⅛	98⅛	96¼	96¼	103	90¼
2,949,600	.....	779,163	442,212	4	4	14th Dec.	q. 1	6.89	Montreal Cottons, Ltd., com	56	51	63	50	58⅛	49	61	Sept. 20	50	May 7	50		58¾	58	58⅜	58⅜	58⅜	25	50
.....	3,000,000	.....	.....	7	7	14th Dec.	q. 1¾	7 00	" " " pref	100½	99	115	99	103	99	100	Mar. 19	99⅛	Jan. 21									99⅛
1,275,000	.....	.....	527,504	.....	.....	1st Nov.'13	q. 1½	13.04	Monarch Knitting Co., com	27	25	40	25⅛	40	30	46	Nov. 21	39	Feb. 12									30
.....	750,000	.....	.....	7	7	1st Nov.	q. 1¾	9 21	" " pref	82	82	83	80	81	80	80½	Oct. 16	75	Jan. 14				77	78	78	78	7	73
2,000,000	.....	.....	2,331,209	3½	.....	.....		.....	National Steel Car, com	.....	.....	.....	.....	21	5	10⅛	Mar. 12	5	Dec. 23	7½	6½	5¼	5⅛	5¾	5⅛	5¼	160	.....
.....	1,500,000	.....	.....	.....	.....	15th Jan	q. 1¾	.....	" " pref	.....	.....	.....	.....	78	17	40	Sept. 16	20	Jan. 4		18	20		20	20	20	55	.....
15,000,000	.....	11,21 ,823	3 730,092	.....	5+20	15th Oct.	s. 2½	7.57	Nova Scotia Steel, com	107	45¾	154⅛	93¼	128	66	71½	Aug. 3	63½	Mar. 20	67				66	66	66	30	63⅛
.....	1,000,000	.....	.....	12	8	2nd Jan.	q. 2	7.84	" " pref.	125	110	115	110	112	105	103	June 27	100	Jan. 25									
2,500,000	.....	2,350,000	190,179	8+4	10½15	2nd Jan.	q. 3	5.45	Ogilvie Flour, com	144	107	152	127⅞	158	137	217	Dec. 31	140	Jan. 17	147			215	215	212	212	65	140
.....	2,000,000	.....	.....	7	7	2nd Dec.	q. 1¾	6.36	" " pref.	120	113	116	44⅛	115	107	111	May 13	100	Jan. 30									
750,000	.....	575,100	183,497	.....	.....	.....		.....	Ont. Steel Products, com	.....	.....	45	19	34	18	35	July 27	22⅛	Jan. 22					28	27¼	28	40	22½
.....	750,000	.....	.....	5½	7+1¼	15thNov.	q.1¾+½	8.97	" " pref	.....	.....	91⅛	73	74	74	78	July 27	73	July 20									.....
650,000	.....	.....	38,026	2	2	1st Jan.	s. 1	5.88	Pacific-Burt Co., com	31	28	29	20	40	28	34	July 26	.....										34
.....	650,000	.....	.....	7	7	1st Jan	q. 1¾	9.09	" " pref	85	80	83¾	77⅛	82	79	77¼	Mar. 4	.....										77¼
600,000	.....	.....	644,594	8+3	8+5	26th Sept.	4+2	7.75	Paton Manufacturing Co.	.....	.....	.....	.....	130	124	124	June 28	.....										124⅞
2,150,600	.....	2,000,000	2,807,867	4+1	4+1	15th Nov.	q. 1½	7.67	Penmans, Limited, com	62	49	78	60	73⅛	64	84	Oct. 7	65	Jan. 2	65			78	79	77½	79	40	65
.....	1,075,000	.....	.....	6	6	1st Nov.	q. 1½	7.05	" " pref	83	82	90	82	86	81⅛	95¾	Nov. 22	81⅛	Sept. 16	82			85	85	85	85	10	81⅞
5,000,000	.....	5,923 764	2,220,239	6	6	2nd Jan.	2	5.44	Price Bros	.....	.....	132	60¼	134	115	151	Oct. 24	120	Feb. 8									120½
4,500,000	.....	2,036,600	1,851,813	3½+1	6+4	15th Nov.	q. 2½	8.54	Riordan Pulp and Paper, com	.....	.....	150	59	127	106	123	May 6	117¼	Feb. 1			127¼		117¼	117¼	117¼	215	114¾
.....	1,000,000	.....	.....	7	7	31st Dec.	q. 1¾	7.36	" " pref	.....	.....	.....	.....	95	90	97	Jan. 22	92½	Feb. 20					94⅛	94	94⅛	8	90¼
1,500,000	.....	437,000	503,082	6	1½	1st Apr.	q. 1½	.....	William A. Rogers, Ltd., com	103	96	99	85	80	40	.....		.....										50
.....	900,000	.....	.....	7	7	1st Jan.	q. 1¾	7.77	" " pref	99	99	99	87	92	90													60
800,000	.....	.....	47,581	.....	7	1st Aug.	q. 1¾	8.33	Russell Motor Car, com	50	10	114	32	92	50	99⅞	Oct. 1	55	Mar. 23									50
.....	1,200,000	.....	.....	.....	29¾	1st Nov.	q. 1¾	9.33	" " pref	76	25	139	66	122	72	91⅛	Oct. 1	68¾	Feb. 8			73	70	75	75	75	15	68⅛
1,500,000	.....	574,500	129,711	.....	.....	.....		.....	Sawyer-Massey Co., com	33	25	30	20	24	8	13	Dec. 18	10	Mar 12									
.....	1,500,000	.....	.....	.....	.....	2nd June '14	q. 1¾	.....	" " pref	76	69	134½	58	41	40	40	Jan. 5			41								40
4,000,000	.....	1,873,200	1,746,698	.....	.....	.....		.....	Sherwin-Williams, com	57½	55	99½	53⅛	60	56	60	Feb. 8	.....						60	60	60	20	60
.....	2,287,000	.....	.....	7	7	30th Dec.	q. 1¾	7.07	" " pref	100	98⅛	100	97⅛	100	98	100	Apr 4	99	Mar. 5					99	99	99	160	99
8,750,000	.....	.....	377,944	6+1	6+2	1st Jan.	q. 2	7.14	Shredded Wheat, com	102	92	140½	102¼	137¾	112	112	Sept. 19	100	Aug. 28									109⅛
.....	1,250,000	.....	.....	6	6	1st Jan.	q. 1½	6.57	" pref	99	93	120	95	95	95	92	Sept. 30	87	May 4									
1,062,500	.....	300,000	114,473	.....	4	.....		.....	Smith Paper Mills, Com.	.....	.....	.....	.....	74⅛	66	66	Oct. 24	65	Feb. 20									65
.....	475,000	.....	.....	.....	7	15th Oct.	q. 1¾	8.97	" " " Pref							80	Nov. 22	73¼	July 10									
8,000,000	.....	10,332,113	1,071,301	.....	.....	.....		.....	Spanish River Pulp Mills, com	9⅝	3	24¼	3½	19	12⅛	20	Oct. 3	12¼	Jan. 31					18⅛	17½	17½	175	50
.....	5,699,100	.....	.....	.....	.....	15th July'13	q. 1¾	10.93	" pref	35	35	70	29	59¼	47	64½	Dec. 18	50	Feb. 1					65½	65	65	180	.....
11,500,000	.....	8,766,147	12,458,762	4	6	1st Nov.	q. 1½	9.37	Steel Co. of Canada, com	48	8⅛	88¼	34¼	71⅛	47½	74¼	Aug. 26	49¾	Jan. 15	52½	52	65	64	65⅛	64	64⅞	1,885	48
.....	6,496,300	.....	.....	10½	7	1st Nov.	q. 1¾	7.36	" " pref	95	69	107¼	82½	100⅛	84½	98	Sept. 3	84	Jan. 18	85			94⅛	95	94½	95	50	82¾
1,250,000	3,602 700	1,111,726	154,402	.....	.....	1st Oct.	3½	.....	Standard Chemtnal, pfd	.....	.....	.....	.....	.....	.....	62½	Oct. 18	.....										
1,200,000	.....	252,500	138,156	.....	.....	1st Nov.	1+1½	4,16	St. Lawrence Flour, com	.....	.....	.....	.....	.....	.....	96¾	Oct. 4	50	Mar. 14			96	95	96	94½	94½	335	
.....	575,000	.....	.....	.....	.....	1st Nov.	1¾	.....	" " pref	.....	.....	.....	.....	56	49	85	Aug. 9	80	Mar. 5									55
650,000	.....	.....	149,379	.....	.....	.....		.....	Tooke Bros., com	18	16	25	16	19	19	30	Sept. 6	15	July 5									19
.....	985,000	.....	.....	8¾	8¾	13th Dec.	q. 1¾	8.53	" " pref	.....	.....	83	78	79	70	77	Sept. 6	.....										70½
750,000	.....	500,000	254,089	5	6+4	2nd Jan.	s. 3+1	8.69	Toronto Paper Co	45	25	96	44	90	72	72⅜	Aug. 12	68	June 21									65
2,500,000	.....	.....	337,933	.....	.....	.....		.....	Tuckett Tobacco, com	29¼	29	25	23⅛	22⅛	17	24¼	Dec. 24	18½	Aug. 13									16⅜
.....	2,000,000	.....	.....	7	.....	15th Oct.	q 1¾	9.58	" " pref,	90	90	90	75	83½	78	72¾	Sept 5	.....						80	80	80	10	80
1,750,000	.....	911,000	238,660	.....	.....	2nd Jan.	1½	10.34	Wabasso Cotton	.....	.....	.....	.....	.....	.....	61	Nov. 22	21	April 2					59	59	56	16	.....
5,000,000	.....	3,430,000	864,023	.....	.....	.....		.....	Wayagamack com	26½	26	.....	.....	97	50	53	Nov. 29	50	Jan. 30			52	51⅛	54⅛	51	51¼	465	50
7,718,600	.....	470,000	1 303,540	.....	7	2nd Dec.	q. 1¾	8.43	Woods Manufacturing Co., Ltd. com.	15	20	65	33	61	44	98	Oct. 4	57¼	Mar. 27									53¼
.....	1,546,500	.....	.....	15¾	7	1st Jan.	q. 1¾	8.13	" " pref	45	20	101	84	86	80	86	Aug. 23	.....										86

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Bond Pref d Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1917	Last Dividend Date	Per cent.	LOAN AND TRUST	Range for Year 1916 High	Low	Range for year 1917 High	Low	Latest Price Ask	Bid	Last Sale
1,205,090	3,932,164	1,294,157	9	2nd Jan.	q. 2¼	Canada Landed	163	157⅛	160	150	154	.....	148¾
1,000,000	19,946 571	5,447,977	10	2nd Jan.	q. 2½	Canada Permanent	183	168⅝	173	162½		167½	168
1,750,000	5.519.687	1,8[illegible]3,863	10	2nd Jan.	q. 2½	Central Canada	.....				190	.....	
20,000	2 994,240	419,646	6	2nd Jan.	s. 3	Col. Investment, pref.	76	70	77	68	74	.....	80
934.848	1,112,672	263,925	5	2nd Jan.	s. ½	Dominion Savings	80	80	.....	.....	.....	81	75
1,412,566	2,221,508	827,258	5	1st July	Def.	Great West Per.	.....						89½
2,200,000	2.276,590	1,163,994	8	2nd Jan.	s. 4	Hamilton Provident	140	138	142	137	.....	137	133
500,000	11.865,047	3,186,669	12	2nd Jan.	q. 3	Huron and Erie	214	209	211	205	210	208	190
000,000	1,914,936	837,232	8	2nd Jan.	s. 4	Landed Banking	145	144	143	143		145	140
250,000	2,700,981	871,997	8	2nd Jan.	q. 2	London and Can. Loan	135	132	132	128⅛	128	127½	126⅛
887,598	1,722.889	341.924	6+1	2nd Jan.	q1½+¼	London Loan and Sav	.....						
600,000	350.626	744,530	10+1	15th Dec.	q. 2½	Montreal L. & Mtg. Co.	175	160	165	162⅛	.....	.....	152
500,000	7.717,790	1,622.368	10	1st Jan.	q. 2½	National Trust	210	210	212	207½	.....	210	207⅛
750.000	3,546 486	2.000,[illegible]03	9	2nd Jan.	q. 2¼	Ont. Loan and Deb.	175	169	175	175		175	160
500,900	643 698	262.75[illegible]	7	2nd Jan.	s. 3½	Real Estate Loan	.....	205⅛					103
500,000	33,203,713	2,051,443	10	2nd Jan.	2½+1	Toronto Gen. Trusts	210	[illegible]	215	200	207	.....	204
724,550	1.774,451	627,871	8	2nd Jan.	q. 2	Toronto Mortgage Co.	140	.....	140	136	.....	136	134
000,000	1,931,430	1,185,701	10	2nd Jan.	q. 2½	Toronto Savings	.....						185
000,000	7,661,682	465,702	8⅛	2nd Jan.	q. 2⅛	Union Trust	.....						178
000,009	.....	7 231,192	15	2nd Jan.	q. 2	Canada Life Assurance	.....	.....	190	19			190

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstrnding	Reserve and Contingent P. & L.	Dividesd 1917	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range for year 1916 High	Low	Range for Year 1917 High	Low	Latest Price Ask	Bid
3,000,000	.....	648,892	.....			Asbestos Corporation, com.	24	23	21	12	46	45¾
.....	7,000,000	.....	4	15th Oct.	1½	" " pref	60	53	53	42	62¾	62½
1.500,000	.....	1,[illegible]88,1[illegible]3	9	1st Jan.	s. 4	Canadian N. Prairie Lands	.....	.....				
800,000	390,000	451.006	8	1st Jan	q 2	Canadian Salt	140	124	136	128	.....	127⅛
59,109	.....	1,757,277	$5	23rd Dec.	$5	Can North-West Land						
[illegible]00.000	.....	2,374.727	20	31st Sept.	q. 5	Confederation Life A.	350	330	330	330	375	
6,212.666	.....	501,345	.....	2nd Dec.	q 1½	Crows Nest Pass Coal	83	71	70	50	55	.....
1,000,000	.....	292,230	6	15th Oct.	q 1½	Dominion Telegraph	90	86	90	89	80	.....
3,000,000	12,669,500	.....	.....	.....		Electrical Dev., pref.	.....	.....	.....	.....		.....
450,000	b 5,3[illegible]2,763	2,172 108	10	1st Jan.	q. 2½	Imperial Life Assur	.....	.....				.....
500.000	460,400	785,511	7	1st Mar.'12	s. 3½	Intercolonial Coal, pref	.....	.....	.....	.....	80	.....
3.000.000	.....	133,458	.....	1st Mar. '14	1	Intern. Coal and Coke	.....	.....	25	25		.....
2,196,[illegible]51	1,922,500	6[illegible]2,424	7	15th Nov.	q. 2	Kaministiquia Power	.....	.....			120	.....
637,480	b 595,000	22[illegible],441	3	2nd July	s. 3	London Street	.....	.....		.....		.....
2,000,000	.....	119,740	8+10 cts	15th Oct.	q. 2	Montreal Telegraph	136	135	138	115	.....	
925,000	b1,123,000	.....				Nia., St. Kath. and Tor.					.....	120
1 164,000	b 741,000	286,076	3⅜	10th July'15	q.1¼	Trinidad Electric	.....	.....	.....	.....	.....	.....
2,124,700	b1.504,621	844,651	8	16th Dec.	q. 2	W. Can. Flour Mills	[illegible]	102	.....	.....	.....	.....
800,000	b 600.000	605,068	5	1st Jan.	q. 1¼	West India Electric	.....	.....	77	77	.....	.....

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and Loss; +—indicates bonus; 2—means bond; P—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, pus December 1, 1914.

INCORPORATED 1855

THE BANK OF TORONTO

Head Office: TORONTO, CANADA

Paid-Up Capital, $5,000,000. Reserved Funds, $6,555,306

DIRECTORS
W. G. GOODERHAM, *President* J. HENDERSON, *Vice-President*
William Stone, John Macdonald, Lt.-Col. A. E. Gooderham, J. L. Englehart,
Brig.-Gen. F. S. Meighen, Wm. I. Gear, Paul J. Myler, A. H. Campbell
THOS. F. HOW, *General Manager* JOHN R. LAMB, *Ass. Gen. Manager*
D. C. GRANT, *Chief Inspector*

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MONEY, BANKING AND EXCHANGE

ALL BUT THREE CITIES REPORT HIGHER RETURNS

Substantial Gains Shown in Bank Clearings in the East

DOMINION GAIN IS 27.3%

Out of a Total of 23 Cities Reporting Only Three Show a Falling Off — Sherbrooke Largest Percentage Gain

Bank clearing returns for the week ending Thursday last show a substantial increase over the figures of the previous week-end, and a gain of $67,293,412 or 27.3 per cent. over the corresponding period in 1918. For the week the clearings total $313,989,254. All cities in the East show gains, while in the West, Edmonton, Regina and Medicine Hat report a falling off. Montreal, with clearings amounting to $115,378,538, shows a gain of $34,252,322, or 42.2 per cent., and Toronto, with a total of $82,392,266 shows a gain of $17,997,005, or 27.9 per cent. Sherbrooke shows the largest percentage gain with clearings for the week amounting to $1,212,584, an increase of 68.1 per cent. In the West, Winnipeg shows a gain of $4,423,820, or 9.4 per cent., while Vancouver, Moose Jaw, Fort William and New Westminster also show substantial gains. Following are comparative figures:

WEEKLY BANK CLEARINGS
(In comparison with same month last year)
Eastern Cities

	Jan. 9, 1919	Change	%
Montreal . . .	$ 115,378,538	+ $34,252,322	42.2
Toronto	82,392,266	+ 17,997,005	27.9
Ottawa	8,018,954	+ 2,010,055	33.5
Hamilton	6,080,215	+ 754,711	14.1
Quebec	5,111,247	+ 952,018	22.9
Halifax	5,545,982	+ 1,627,052	41.6
London	3,921,117	+ 717,699	22.4
St. John . . .	2,846,402	+ 328,584	13.0
Brantford . . .	1,153,212	+ 230,537	25.0
Peterboro . . .	837,041	+ 90,455	12.2
Sherbrooke . .	1,212,584	+ 490,552	68.1
Kitchener . .	848,994	+ 227,577	36.6
Total, East . .	$ 233,346,552	+ $59,678,567	34.4
Windsor . . .	1,444,850		

Western Cities

	Jan. 9, 1919	Change	%
Winnipeg . . .	$ 51,094,198	+ $ 4,423,820	9.4
Vancouver . . .	11,679,787	+ 2,158,465	22.6
Edmonton . . .	4,507,182	— 112,389	2.4
Victoria	2,240,940	+ 353,433	18.7
Regina	4,200,458	— 116,803	2.7
Saskatoon . .	2,181,539	+ 162,698	8.1
Moose Jaw . .	1,870,926	+ 414,880	28.6
Ft. William . .	943,424	+ 153,629	19.6
Lethbridge . . .	815,847	+ 3,299	.3
N. Westminster	564,941	+ 174,011	44.6
Medicine Hat .	543,460	— 198	....
Total, West . .	$ 80,642,702	+ $ 7,614,845	10.4
Grand Total .	$ 313,989,254	+ $67,293,412	27.3
Prince Albert.	349,803		

YEARLY BANK CLEARINGS
(In comparison with last year)
Eastern Cities

	Year, 1918	Change	%
Montreal . . .	$4,833,924,041	+ $ 645,768,835	15.4
Toronto	3,379,864,506	+ 373,079,141	12.3
Ottawa	357,598,753	+ 66,401,539	22.8
Hamilton . .	262,076,476	+ 17,675,137	7.2
Quebec	238,906,890	+ 25,401,780	11.9
Halifax	215,259,297	+ 63,446,547	42.0
London	126,958,350	+ 14,293,643	12.7
St. John . . .	117,133,609	+ 13,006,019	12.4
Brantford . .	48,141,451	+ 6,080,233	14.4
Peterboro . .	37,574,621	+ 4,657,603	14.1
Sherbrooke	42,406,079	+ 8,456,573	24.9
Kitchener . .	32,549,572	+ 2,280,956	7.5
Total, East .	$9,692,393,645	+ $1,240,548,006	14.6
Windsor . .	43,354,403		

Western Cities

	Year, 1918	Change	%
Winnipeg . .	$2,362,734,211	— $ 260,240,291	9.9
Vancouver . .	545,368,714	+ 125,757,816	30.0
Calgary . . .	331,334,577	— 17,328,849	4.9
Edmonton . .	171,524,924	+ 28,918,158	20.3
Victoria . . .	101,471,607	+ 16,649,391	19.6
Regina	184,624,626	+ 14,824,511	8.7
Saskatoon . .	91,431,882	+ 1,509,769	1.6
Moose Jaw .	79,425,563	+ 14,528,852	22.6
Ft. William .	38,313,344	+ 4,089,295	11.9
Brandon . . .	32,654,296	+ 2,224,684	7.3
Lethbridge .	41,901,108	— 3,119,961	6.9
N. Westm'ter	23,565,159	+ 6,129,332	35.2
Medicine Hat	24,088,013	— 5,628,149	18.9
Total, West.	$4,028,438,024	— $ 71,685,442	1.7
Gr'nd Total	$13,720,831,669	+ $1,168,862,564	9.2
Prince Albert	14,149,320		

EXCHANGE

New York funds have continued in demand all week at rates ruling above 2 per cent. premium. The supply is moderate, but the demand is surprisingly strong and for the present at least there is little indication of any marked recession in quotations.

Jan. 3.—Funds opened at 1 7-8 bid; first sale at 2 to the seller, and last sale at 2 1-16 to the seller.

Jan. 4.—Funds opened 2 1-8 to the buyer and sold down to 2 1-16 to the buyer at the close.

Jan. 6.—Opening quotation, 2 1-32 to the seller; sold down to 2 to the seller.

Jan. 7.—Opened at 2 to the buyer, and in the afternoon sold at 2 to the seller.

Jan. 8.—Opened at 2 1-64 bid and sold up to 2 1-32 to the seller.

Jan. 9.—Opened at 2 1-64 bid; sales occurred at 2 1-32 to buyer and seller, and closed at 2 1-16 to the seller.

Jan. 10.—2 1-16 bid and asked, with market steady and quiet.

Demand sterling was quoted at 4.7585 on Jan. 3 and 4; dropped to 4.75¾ on Jan. 6; recovered to 4.7580 on Jan. 7, 8 and 9, and yesterday was quoted at 4.75¾ again. Cables have been practically unchanged at 4.7655.

Francs have been practically unchanged at 5.45½ for cheques and 5.44⅞ for cables.

NOVA SCOTIA

The Bank of Nova Scotia announce the opening of branches at Emerald, P.E.I., Kingston, Ont., and at St. Peters, P.E.I., while the branch formerly operated at Jasper, Ont., has also been reopened.

ROYAL

Tate Fennell, formerly with the Orillia branch of the Royal Bank has been transferred to the inspector's department of the bank at Toronto.

The new Board of the Royal Bank consists of 22 members, the additions being Capt. Wm. Robinson, of Winnipeg, formerly president of the Northern Crown Bank, and H. McTavish Campbell, of Winnipeg. The new Board stands thus: Sir Herbert Holt, president; E. L. Pease, vice-president and managing director; E. F. B. Johnston, K.C., second vice-president; C. E. Neill, general manager; Jas. Redmond, G. R. Crowe, D. K. Elliott, Hon. W. H. Thorne, Hugh Paton, Wm. Robertson, A. J. Brown, K.C., W. J. Sheppard, C. S. Wilcox, A. E. Dyment, Sir Mortimer B. Davis, G. H. Duggan, C. C. Blackadar, John T. Ross, R. MacD. Paterson, G. G. Stuart, K.C., Capt. Wm. Robinson, and A. McTavish Campbell.

MONTREAL

The Bank of Montreal has opened a sub-agency to the principal branch of the bank at Sault Ste. Marie, which will be known as the Wellington Street branch and will be under the management of O. W. Bridges, with the title of acting sub-agent.

TORONTO

Walter Hunter, of Barrie, whose death occurred recently at Toronto, was before the war manager of the branch of the Bank of Toronto at Oil Springs. Mr. Hunter had just returned from overseas and was on the staff of the branch at the corner of Wellington and Church Sts., when he was stricken with influenza.

HAMILTON

Edward Glanfield has re-entered the employ of the Bank of Hamilton and is filling his old position of teller at the Jarvis branch of the bank. Robert MacRae, the former teller, has been transferred to Georgetown.

The Bank of Hamilton has opened a branch at Whitechurch, Ont.

STANDARD

J. P. Owens has retired from the services of the Standard Bank as manager of the Oshawa branch after thirty-five years with that institution. With Mrs. Owens residence for the winter is being taken up in Toronto. He is succeeded as manager in Oshawa by H. G. Hutcheson, for many years manager of th Port Perry branch of the Standard Bank.

COMMERCE

Frederick Lloyd Bateman, of Toronto, who is reported as having died at Cuisines, near Mons, Belgium, of bronchial-pneumonia, was for eight years in the head office of the Bank of Commerce and for ten months previous to enlisting was in the foreign exchange branch of the bank in Montreal. Mr. Bateman enlisted from Montreal in the 7th Battery, Canadian Garrison Artillery, in May, 1916, and passed unhurt through the battle of Vimy Ridge and was constantly in France up to the signing of the armistice.

The Canadian Bank of Commerce has opened a branch in Walton, Ont.

HOME

The Home Bank of Canada has opened a branch office at Snackleton, Sask.

BANK BRANCHES IN PARIS

A report from Paris states that the example of the Bank of Montreal in opening a branch in Paris is to be followed early in the new year, it is expected, by not only one but several other Canadian banks. The importance of this in the development of Canadian trade with France is too obvious to need explanation, especially in view of the share which Canada may justifiably hope to take in repairing the ravages of war.

BANK OF ENGLAND

London, Jan. 9.—The weekly statement of the Bank of England shows the following changes:

Total reserve, increased	£ 593,000
Circulation, decreased	49,000
Bullion, increased	544,110
Other securities, decreased ...	20,979,000
Public deposits, increased	1,857,000
Other deposits, decreased .	74,706,000
Notes reserve, increased	535,000
Government securities, decr'sed	52,426,000

The proportion of the bank's reserve to liability this week is 17.12 per cent.: last week it was 11.70 per cent. Rate of discount, 5 per cent.

MONTREAL CLEARING HOUSE

At the annual meeting of the Montreal Clearing House held recently, the chairman, B. H. Waud, stated that during the year there were only two changes in the membership, the Bank of British North America retiring and the Bank of Hamilton being admitted. The following officers were elected: H. B. Henwood, manager of the Bank of Toronto, chairman; J. D. G. Kippen, manager of the Merchants Bank, vice-chairman; C. W. Dean, manager of the Bank of Montreal; H. B. Walker, manager of the Canadian Bank of Commerce; M. S. Bogert, manager of the Dominion Bank; T. C. Leduc, manager of the Banque d'Hochelaga; and H. S. Waud, manager of the Molsons Bank.

Connecticut is the only state in New England showing marked surplus of labor, according to the United States Employment Service. In New York, Buffalo is the only city with surplus labor, with 10,000 unemployed. New Jersey cities have shortage.

BAN LIFTED ON ESTABLISHMENT OF NEW BRANCHES

Scramble of Banks to Expand Their Systems Across Country

FOLLOWS END OF WAR

One of Stipulations Under Conscription Arrangements Was That No Branches Should be Opened

The large number of the new bank branches established in Canada, particularly in the West, within the last few weeks calls attention to a certain gathering of the Canadian Bankers' Association that was held after word had been received from the Minister of Finance. Sir Thomas White lifted a ban; then the bankers lifted another. Sir Thomas' consisted of an agreement that the banks had made with him and the Government in connection with the serious depletions that were being made in the ranks of the banks' staffs, through the operation of the Military Service Act. There has been a generous response that had crippled the banks all over the country, and when conscription came into effect there were still some left who would have been called out under the terms of this measure. The whole question came before Mr. Justice Duff at Ottawa, and three divisions were made of the bank men, and they were called out early in the Spring, in July, and September-November respectively. It was found that the list that was submitted included a number of men, whose skilled services being removed, would have thrown the banking machinery out of gear, and interfered seriously with the carrying out of the Government's own financial plans. The result was that a tentative arrangement was made whereby the banks were allowed to substitute certain men whose services at the time were not so essential, and to retain some of those whose technical knowledge and long experience made them necessary for certain posts.

But Sir Thomas made one stipulation: the banks were to cease the opening of new branches, and thus conserve the staffs they had. This was afterwards ratified by the Association, and a working agreement was carried out whereby no branch could be established until the consent of the other members of the association was obtained. The result was that for nearly a year the opening of new branches came to an end.

The Ban Is Lifted

With the close of the war conditions suddenly changed. The call to the remainder of the bank staffs to enlist ceased: the prospects were that very shortly the old men would return from overseas. Old files were brought out; reports of good openings here and there, with all particulars. The embargo was off: the banks prepared to "jump" into the fields they had investigated during the past year or two as possible openings for new branches. As one leading official said to THE FINANCIAL POST this week: "There was a regular scramble to open new branches. Perhaps that is the wrong word, and not befitting banks, but at any rate, we rushed in, and we opened over a score in a short time. By this time the 'rush' may be regarded as practically over, and from now on openings will be made as development of the country calls for it."

All this has not been without some heartburnings on the part of some banks, who are disposed to resent the intrusion of another rival into a field that they think is small enough as it is already. And yet there are those who say that the Canadian banks have been developing a "money trust" and eliminating competition when they were merging with this one and that. Banking competition to-day is more keen than ever it was in the history of banking in Canada, and the events of the last few weeks have served to accentuate this.

Absorbing Returned Men

The new branches had to be filled quickly, and the banks were forced to call on many of their younger men, perhaps 24, 25 or 26 years of age, and place them in positions of responsibility. But in the main, the new branches were opened in the smaller places, and it is expected that comparatively very few of the new managers will have to be displaced with the returned men through failing to make good. It should be noted in connection with these men who are coming back that the banks are arranging that they shall receive the same increase of salary as would have been theirs if they had continued in service of the bank.

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Capital (paid-up) ....$ 6,000,000.00
Reserve Fund (earned) .. 5,250,000.00
Unappropriated Profits .. 197,977.41

Capital and Surplus $11,447,977.41
Investments 31,557,661.82

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The Debentures issued by this Corporation are a high-class security in which Executors and Trustees are authorized by law to invest Trust Funds. Trustees may have a Debenture for the exact amount of the Trust when desired. Enquire about them.

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Canada Permanent Debentures are accepted by the Canadian Government as a portion of the deposits required to be made by Insurance Companies transacting business in Canada. British, Canadian and United States Fire and Life Insurance Companies, Benevolent and Fraternal Associations, etc., have for many years been investors in the Debentures of this Corporation. At present these institutions are owners of Canada Permanent Debentures to an amount exceeding ONE AND A HALF MILLION DOLLARS.

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GRAPHIC METHODS FOR PRESENTING FACTS

By Willard C. Brinton. Special edition prepared for The Ronald Press Company by the Engineering Magazine Company. 1918. 371 pages. 7¼ x 10¼. Cloth. $5.00.

"Graphic Methods for Presenting Facts" shows how it is perfectly feasible to focus a whole business into graphic records so simple that a trained man could readily see all the important tendencies. It makes clear how charts are used in the analysis and control of business. Accountants and executives generally will find this exhaustive manual of immense practical usefulness in their everyday work.

INDEXING AND FILING

By E. R. Hudders. Public Accountant; Member of the American Statistical Association. 4th printing. 1918. 304 pages. 5¾ x 8½. Cloth binding. $3.00.

This book gathers the definite, specific information into one systematic volume for use in business offices. It explains the five basic systems of filing and where each can best be used, and explains in full each detail of filing work—the indexing, filing of cards, filing of papers, finding lost papers, transferring, grouping of records, filing of information and data, catalogues, purchase, sales and credit records, invoices, checks, vouchers, electrotypes and cuts, etc., giving the full working details of files for three typical offices—lawyers, architects and accountants.

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NEWS AND VIEWS FOR MANAGERS

MEETING THE FOREIGNER ON GOOD TERMS

A Little Attention and Service Will Mean Business

SPEAKS THEIR "LINGO"

Bank at Gary Whose Staff Serves Customers in Many Languages—Some Hints on Service

Is the foreigner your friend? This is a question which every branch manager who serves a community with a foreign element might well ask himself. Particularly in the industrial centres, where war-time wages have been high the savings of the "dago," the "wap," or the "pollack" should command the interest—in fact the respect — of the banker. These people are usually ignorant, naturally suspicious and not infrequently sensitive. A little attention, combining education in banking rudiments and small service, will often go far in putting the bank and the stranger-in-a-strange-land on a better footing. And there is no better advertisement than the satisfied customer in helping the bank in the foreign community—particularly if such a customer commands the respect of his fellows; usually these people have their leaders and advisers in such matters and a community "boss" can do much to influence others.

Writing in the "Bankers' Magazine" Charles A. Goddard advises bankers to get acquainted with the workings of the foreigners' minds and with their habits of life. As an example of what may be accomplished by cultivating the foreign born he illustrates the development of the South Side Trust and Savings Bank of Gary, the steel city of Indiana Ninety per cent. of the business of this bank is done with people who speak other than the English language. The depositors in the savings department represent twenty-eight languages.

In His Own Language

Now there are not many bank managers in Canada who have a problem on their hands such as is being successfully solved under the direction of banker C. O. Homes, of Gary, but some of the steps he has taken should be of interest as indicating how foreigners may be effectively reached For instance, Mr. Holmes explains that his bank actually serves his depositors in Polish, Italian, Slavish and several of its dialects besides German, Swedish, Hungarian, French and Russian. The average bank would not find that it would pay to put the service menu up in so many languages, but the fact that reaching the foreigner by the language route is so successful has significance for many big city managers and for those framing policies at head office.

Mr. Holmes' Gary institution opened in 1910 and owes its progress to the fact that it has given every consideration to the foreign-born and treated them with patience and consideration. It located a mile away from other banks and faced problems to which they were giving little attention. Mr. Holmes early discovered that foreigners preferred to deal with individuals rather than with institutions; therefore, the personal connection was constantly developed between members of the staff and patrons. In this connection Mr. Holmes says:

> "My own conviction is that anyone connected with the bank ought to take enough interest in it to know its customers; and because of that knowledge the more efficiently 'sell' the bank and its service, and the more readily. We have other objects in mind; capitalizing the loyalty which comes from personal acquaintanceship, particularly with foreign groups, so that we may secure the business of their acquaintances; also because we regard this as a sort of insurance against the fear of the so-called 'run' by the foreign depositor.

Overcoming "Strangeness"

Overcoming the "strangeness" of the foreigner in relation to the bank is important. Often he cannot understand what the average bank employee says, and when he hands in his money it is often with a feeling that he may never see it again. Some of them want even to be assured that they will get the identical money back again. Right here the missionary work starts in Mr. Holmes' bank. An effort is made by members of the staff to get a working knowledge of his language and then the rudiments of banking are explained. Attention in this connection has been found to pay and service has usually brought returns both directly and indirectly. The bank even went so far as to have a member of the staff take the chairmanship of a local draft board and in this way a great service was done for the foreigners in connection with the intelligent enforcement of conscription.

Aiding a Fruit Peddler

The Gary banker also believes in giving service to the foreigner in business. He describes a typical case of a wholesale and retail produce and fruit dealer who started with the bank in 1912, borrowing $200 when his assets consisted of his wife, four children and some little experience as to how hard it is to get along:

> "We taught him the use of the statement by which he could analyze his business, the need of accurate record keeping, first for his own information and ours, and later for the Government, to which he now makes income tax and other reports; the need of adequate protection in the way of life insurance, insurance against the several hazards peculiar to his business, such as employers' liability, casualty, etc.; the value of maintaining proper relationship between his quick liabilities and quick resources; the effect on credit of proper cash reserve; the saving growing out of paying simple interest at the bank on funds and taking the discounts such as one per cent. for ten days, and two per cent. for five days, etc.
>
> "This man now makes a statement showing a net worth of perhaps $20,000, besides his wife and seven children. He serves a considerable proportion of this Calumet district with a wholesale fruit and produce business that does its part in keeping down the high cost of living, as well as reduces the congestion in our transportation system with the efficient use that he makes of his three motor trucks.

Mr. Holmes also gives attention to the education of those with whom the bank does not come in direct contact and effective work along this line has been done throughout the schools. Calendars and other advertising material arranged so as to be of particular use to the foreigners have been found to bring direct results.

There are not many Canadian bank managers who are devoting their services largely to foreigners, but there are many with whom the foreign element is a consideration and some of Mr. Holmes' ideas may be of value in considering problems which may be solved to business advantage.—J.W.T.

THE EFFECT OF PASS BOOK ENTRIES

U.S. Courts Hold That Banks Have Right to Make Corrections of Errors

The entry of a deposit in a depositor's pass book is evidence that such deposit was made on the date shown by the entry, but, points out the "Bankers' Magazine," it is not conclusive evidence. It is always possible for the bank to show, if it has the necessary evidence, that the entry was erroneous and that no such deposit was in fact ever made.

This rule was applied in the case of L. J. Brosius & Co. v. First National Bank of Mobile, 174 Pac. Rep. 269, a decision of the Supreme Court of Oklahoma.

The plaintiffs here sued to recover a deposit which they claimed was standing to their credit in the defendant's bank. They had a pass book in which it appeared that they had made a deposit of $170 on April 29, 1911, and another deposit of like amount on May 1, 1911. A red line, however, was drawn through the entry of April 29. With respect to this red line it appeared that the cashier, who made the entry originally, had been superseded by a new cashier; the latter, upon examining the books of the bank, could find no record of a deposit having been made on April 29 and he thereupon ran a red line through the entry in the pass book. It also appeared that the plaintiffs made no protest to the bank for several months after this correction had been made and the pass book returned to them.

The court held that there was sufficient evidence to establish that the entry of April 29 was an error and that the plaintiffs could not recover. In deciding the case the court evolved the following rule: "Where an entry upon a pass book of a bank is admitted to have been made by the cashier of the bank, and it is claimed, in an action to recover such deposit, that the entry is an error, the burden is upon the bank to show, by a preponderance of evidence, that such entry was an error; but where such pass book is balanced correcting such error, and the depositor, after the corrected pass book is returned to him, fails for a considerable time to make objection to such correction, the burden is upon the depositor to show that such deposit was made and the correction erroneous."

A serviceable and tastefully prepared booklet has been issued by the Standard Trusts Company of Winnipeg. The cover asks the question, "Trust Service, What Is It?" and the answer is given in a number of advertisements reproduced from the program of the publicity department.

PROSPERITY FOR U.S. BANKS FROM WAR FINANCING

The Federal Reserve and National Systems Wealthy

LOANS MEANT PROFIT

Two-thirds of Country's Gold Supply Now in the Control of Federal Reserve System

As in Canada, the banks of the United States have passed a prosperous year. Business has been good and the financial institutions of the country have shared in the profits. This should be an important and healthful factor in relation to the problems of the uncertain period upon which industry and trade are now entering. It is pointed out that the Federal Reserve Banks and the national banking system were a great financial bulwark of the United States during the year, which twelvemonths it might be said were subject to the strain of war financing. The effectiveness of the Federal Reserve System, which in the United States provides that mobility of financing reserves which is a feature of the branch bank system in Canada has been particularly illustrated during the war period, it being the opinion of financial authorities that it is very doubtful if the war program could have been financed otherwise without bringing on one of those panics which have marked financial crises in the past.

Credit for the great success of Government operations during the year is given in large measure to the support and co-operation of the Federal banks and the national banking system. Nevertheless far from sacrificing anything thereby both gained and prospered. Indeed, as far as the Federal Reserve banks are concerned the year marked a red letter period and such phenomenal expansion and earnings are not likely to be again witnessed in a generation.

The Gold Supply

Two-thirds of the gold supply in the United States is now within the control of the Federal Reserve system, the amount in vaults, settlement and redemption funds and with the Federal Re[illegible]ts being at the end of the year $2,090,274,000. This represents a gain of over $400,000,000 since the end of 1917.

Although one of the principal functions of the reserve institution is to rediscount for member banks, the extent to which the banks made use of this facility was quite abnormal and is, of course, attributable to the huge Government financing of the past year. In the portfolios of the Federal Reserve banks there are now over $2,006,000,000 of bills. This represents an increase over the twelvemonth of about $1,050,000,000. Of the former amount $1,703,000,000 are bills discounted, comparing with $680,706,000 at the end of 1917, and $303,675,000 a year ago. Of the $1,703,000,000 of bills discounted $1,400,371,000 were secured by Liberty bonds and U. S. certificates of indebtedness, which indicated that loan financing last year overshadowed to a large extent purely commercial demands.

The Liberty Loans

During the year the Third and Fourth Liberty Loans were floated, representing an aggregate of $11,114,000,000; fifteen issues of treasury certificates in anticipation of loans (representing a total of $8,781,000,000) and seven issues of certificates anticipating taxes (representing a total of $1,884,000,000). As fiscal agents of the Government the Reserve banks had to receive subscriptions to these issues from the member and non-member banks and, in addition, extended aid to the member institutions for financing subscriptions, as above noted. To these operations must be added the tremendous task of concentrating and disbursing funds for the Government.

Federal Reserve note circulation increased during the year $1,440,000,000 for a large part of which the withdrawal of gold from circulation is responsible. There are now $2,685,244,000 of Federal Reserve notes in actual circulation and $117,122,000 of Federal Reserve bank notes (secured by U. S. bonds or certificates). The increase of these Federal Reserve bank notes over the $8,000,000 held at the end of 1917 represents the replacement of standard silver dollars and silver certificates retired through the Pittman Act, under which silver has been shipped to the Orient.

Due to the excessive rediscount operations on account of Government financing, the Reserve banks have experienced extraordinary earnings during the past year. Not only have the banks paid their cumulative dividends to date but many have been able to add very considerably to their surplus accounts.

At the end of 1917 net earnings of the Federal Reserve banks totaled $11,202,992, or at the rate of 18.9% on an average aggregate capital of $59,260,000. At the end of June, last, they reported total net earnings for the first six months of 1918 at $20,698,162, or at a yearly rate of 55.9% on an average paid-in capital of $74,095,000.

That is to say, the net earnings of the Federal Reserve banks for the first six months of the past year amounted to almost twice as much as the net earnings for the entire preceding year.

Distribution of Profits

Under the original Federal Reserve law, the Reserve institutions, after paying all dividends, must divide their net earnings with the U. S. Government until the banks have built up a surplus equal to 40% of capital; after which all the net earnings go to the Government. At the close of 1917 six banks were able to pay the franchise tax to the Government, amounting in all to $1,134,234, passing an equal amount to their surplus accounts. In view of the exceptional earnings the Reserve banks are now showing it is proposed to amend the law to allow the institutions to build up their surplus account to 100% of capital, and an amendment to this effect is now before the House Banking and Currency Committee.

Following table shows some of the salient items in the combined reports of the twelve Federal Reserve banks at the close of 1918 compared with end of 1917:

	(000's omitted) Dec. 27, '18	Dec. 28, '17
Gold held by banks	$ 717,952	$ 869,937
Gold with Fed. Res. agents	1,288,309	781,851
Total gold reserves	2,090,274	1,671,133
Bills discounted:		
Against U.S. bonds, etc.	1,400,371)	680,706
All other	302,567)	
Bills bought	303,673	275,366
Total bills on hand.....	2,006,611	956,072
Total earning assets	2,318,170	1,068,295
Capital paid in	80,681	70,442
Due to members	1,587,318	1,453,166
Gross deposits	2,312,500	1,771,037
Fed. Res. notes in cir. ..	2,685,244	1,246,488

NEW HALIFAX BANKS

Six New Branches Established Last Month

By Special Correspondent

HALIFAX.—The boom in the establishment of bank branches in Halifax is noteworthy. Within the past month six new branches have been announced by banks in this city and if the purchase by the Bank of Nova Scotia of a property at a strategic corner is to be taken as an announcement of a new branch the number becomes seven. The Royal has announced two branches, Commerce two and the Bank of Nova Scotia two, with a third by inference.

Six banks have main offices in Halifax—the Montreal, Royal, Commerce, Nova Scotia, Union of Canada and Merchants. These, previous to the recent anonouncements, had seven branches. Now they have fourteen. At an estimated population of 65,000 this makes a bank branch to every 4,500.

The increase in the business of Halifax and in its population during the past four years has been noteworthy. At the last census the population was placed at less than 50,000. Now it is conservatively estimated at 65,000, and this gain has largely come during the four years just past. Building has been very active in that period and the boom has been not unlike that of the typical Western town. It is a very difficult matter to obtain a house for rental and there are few for sale. The general manager of the Eastern Trust Company, Col. B. A. Weston, remarked to THE FINANCIAL POST the other day that it is a fact that there is not a vacant office in Halifax.

The extension in bank branches in Halifax will serve a double purpose—it will relieve the admitted congestion at main offices of the banks and the needs of the newer and expanding portions of the city will be provided for.

UNION BANK IN ORIENT

Forty New Branches to be Opened by New Institution

WINNIPEG.—At the annual meeting of the Union Bank H. B. Shaw, general manager, gave for the first time the name of the new banking corporation which has been formed by the Union Bank and the National Park Bank of New York for the development of trade with the Orient. This will be known as the Park Union Overseas Banking Corporation.

Representatives of the institutions concerned sail from San Francisco for Yokohama on Friday; forty offices will be opened. The definite statement was made by Mr. Galt in his address that other parts of the Far East would be reached with offices at a later date.

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The
BANK OF TORONTO
Report of the
Sixty-Third Annual General Meeting

The Sixty-Third Annual General Meeting of the Stockholders of The Bank of Toronto was held at the Head Office in Toronto, Wednesday, 8th January, 1919.

The Chair was taken by the President, Mr. W. G. Gooderham; the Assistant General Manager, Mr. John R. Lamb, was requested to act as Secretary and Messrs. George R. Hargraft and C. H. Taylor were appointed Scrutineers.

The Secretary read the Annual Report as follows:

The Directors of The Bank of Toronto beg to present their Report for the year ending 30th November, 1918, accompanied by the Statement of the Bank's affairs and the results of the operations for the year.

PROFIT AND LOSS ACCOUNT

The Balance at credit of Profit and Loss, on November 30th, 1917, was.		$ 555,306.53
The Net Profits for the year, after making full provision for all bad and doubtful debts, and deducting expenses, interest accrued on deposits and rebate on current discounts, amounted to the sum of..		844,402.16
		$1,399,708.69
This sum has been appropriated as follows:—		
Dividends at eleven per cent. per annum.........		$ 550,000.00
War Tax on Circulation	$ 50,000.00	
Transferred to Officers' Pension Fund	25,000.00	
Patriotic Fund and other War Subscriptions	36,200.00	
Toronto General Hospital	2,000.00	
Written off Bank Premises	110,884.75	
		224,034.75
Carried forward to next year		625,623.94
		$1,399,708.69

The production of war materials and supplies continued up to the close of the year, general business was good, and the Bank has had a year of growth in all departments.

The Head Office and Branches of the Bank have been regularly inspected by the Inspection Staff, and at the Head Office the usual inspection of cash and securities has been made.

Mr. G. T. Clarkson, C.A., the auditor of the Bank, has made his examination of the principal offices of the Bank, and his report is appended to the general statement presented herewith. Mr. Clarkson's name will be submitted to the Shareholders at the annual meeting for re-appointment as auditor.

The following Branches have been opened during the year:—Bethany, Markdale and New Lowell, Ontario; Durban and Kenville, Manitoba; Stewart, Saskatchewan; and our Branch at Point St. Charles, Quebec, has been closed.

All of which is respectfully submitted.

W. G. GOODERHAM,
President.

General Statement

LIABILITIES

	30th November, 1918	1917
Notes in Circulation	$ 7,270,615.00	$ 7,606,005.00
Deposits bearing interest, including interest accrued to date of statement	49,534,482.27	46,872,381.30
Deposits not bearing interest	29,504,792.23	17,034,916.41
Total deposits	$ 79,039,274.50	$63,907,297.71
Balances due to other Banks in Canada	459,833.55	276,407.47
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries....	1,052,919.56	279,360.38
Quarterly Dividend, payable 1st December, 1918...	137,500.00	137,500.00
Dividends unpaid	1,226.50	1,284.25
Acceptances under Letters of Credit	621,004.08	530,757.48
	$ 88,582,373.19	$72,738,612.29
Capital paid-up	5,000,000.00	5,000,000.00
Rest	6,000,000.00	6,000,000.00
Balance of Profit and Loss Account carried forward	625,623.94	555,306.53
	$100,207,997.13	$84,293,918.82

ASSETS

	1918	1917
Gold and Silver coin current	$ 948,654.91	$ 962,652.34
Dominion Notes held	10,473,528.00	9,119,700.00
Deposit in the central gold reserves	2,500,000.00	2,500,000.00
	$ 13,922,182.91	$12,582,352.34
Deposit with the Minister for the purposes of the Circulation Fund	240,141.46	262,273.26
Notes of other Banks	668,145.00	552,055.00
Cheques on other Banks	4,217,833.59	2,785,480.57
Balances due by other Banks in Canada	5,261.91	....
Balances due by Banks and Banking Correspondents elsewhere than in Canada	1,175,193.41	2,332,775.08
Dominion and Provincial Government Securities, not exceeding market value	11,804,870.97	6,170,018.05
Canadian Municipal Securities and British, foreign and colonial public Securities other than Canadian	10,003,943.16	10,198,509.82
Railway and other Bonds, Debentures and Stocks, not exceeding market value	674,767.53	896,625.03
Call and Short (not exceeding thirty days) Loans in Canada, on Bonds, Debentures and Stocks	4,305,834.08	2,158,411.63
	$ 47,018,174.02	$37,938,500.58
Other Current Loans and Discounts in Canada (less rebate of interest)	48,951,428.33	42,196,692.97
Overdue Debts (estimated loss provided for)	217,390.70	117,083.04
Liabilities of Customers under Letters of Credit, as per contra	621,004.08	530,757.48
Bank Premises, at not more than cost, less amounts written off	3,400,000.00	3,510,884.75
	$100,207,997.13	$84,293,918.82

W. G. GOODERHAM,
President.

THOMAS F. HOW,
General Manager.

Toronto, 30th November, 1918.

AUDITORS' REPORT TO THE SHAREHOLDERS

To the Shareholders of The Bank of Toronto:

I have compared the above Balance Sheet with the books and accounts at the chief office of The Bank of Toronto, and certified returns received from its branches, and after checking the cash and verifying the securities at the chief office and certain of the principal branches on November 30th, 1918, I certify that in my opinion such Balance Sheet exhibits a true and correct view of the state of the Bank's affairs according to the best of my information, the explanations given to me, and as shown by the books of the Bank.

In addition to the examination mentioned, the cash and securities at the chief office and certain of the principal branches were checked and verified by me during the year, and found to be in accord with the books of the Bank.

All information and explanations required have been given to me, and all transactions of the Bank which have come under my notice have, in my opinion, been within the powers of the Bank.

G. T. CLARKSON,
Chartered Accountant.

Toronto, December 18th, 1918.

After the report had been read, the President, Vice-President, and General Manager addressed the meeting.

The report of the Directors was adopted. Contributions to various Patriotic Funds were approved. Mr. Geoffrey T. Clarkson was appointed Auditor for the current year, and the following Directors were elected: W. G. Gooderham, William Stone, John Macdonald, Lieut.-Col. A. E. Gooderham, Joseph Henderson, Brig.-Gen. F. S. Meighen, J. L. Englehart, William I. Gear, Paul J. Myler, and Archibald H. Campbell.

At a meeting of the Directors Mr. W. G. Gooderham was elected President and Mr. J. Henderson, Vice-President.

THE FINANCIAL POST

President - - - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - - - - H. T. HUNTER
Manager - - - - - - - GORDON RUTLEDGE
Editor - - - - - - - - - - J. W. TYSON

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TORONTO, JANUARY 11, 1919.

PLAYING WITH FIRE

THE menace to the social and economic system of the nation to-day is "Bolshevism." All responsible factions of society, believing in democratic law and order, are opposed to the movement which has culminated in widespread bloodshed in Russia and is now devastating the remnants of established government in Germany.

The trouble is that while there is general condemnation of the tactics employed in the extreme development of Bolshevism, there is far too wide encouragement given to the movement which leads to this state as a natural climax. In this encouragement many of the popular newspapers play a leading role by catering to public unrest against prevailing conditions and encouraging the chorus of socialistic complaint. They are hurling the small stones which start the avalanche; they are nourishing the plant which bears such bitter fruit.

This is a time of world-wide social unrest. What is demanded of those mediums of public expression which would serve the best interests of all is a broad view of the relations of capital and labor and social problems which must be solved. For either faction to endeavor to shift the burden of reconstruction to the other is merely planting the seeds of Bolshevism.

EATON'S EIGHT HOUR DAY

THE announcement of the T. Eaton Company of the adoption of an eight-hour day policy for store employees, with Saturday a full holiday during part of the year and a half holiday throughout, at once demands admiration as indicating the desire of a successful business institution to reduce labor's burdens. There are a number of aspects—from the standpoint of the company, its competitors and the employee—from which the matter may be thoughtfully considered.

From the company's standpoint it is undoubtedly good business. Not only is the concern able to carry any financial burden which may be involved, but the good effect on public opinion is worth considerable to the biggest example of big commercial business in Canada. And in view of the greater efficiency, which may be expected from the employees during the shorter hours, it is doubtful if production and sales returns will fall off materially under the new arrangement. The work behind the counter of a large department store is most trying; the clerks are on their feet all the time, the atmosphere is not usually good and customers are often far from considerate. Under these conditions short hours are likely to be accompanied by more efficient selling efforts and when the time of opening and closing is well known and favorably recognized, it is doubtful if there will be any great reduction in the average clerk's takings.

The short hours will undoubtedly have a tendency to attract to the Eaton Company the best available help. Other concerns will quite probably find it necessary to increase wages or lose their best salespeople. This effect on the labor and economic situation will probably be farther reaching than might appear at first glance. Take in the case of the Ford Company, which not only reduced hours, but set a high standard of wages. Results, it is said, warranted the change in relation to this company, but the effect upon competing concerns, not so fortunately situated, was rather serious: Ford naturally attracted many of the efficient hands of other concerns, while those who did not respond were in a favorable position in demanding higher wages.

So far as the average employee is concerned shorter hours no doubt adds to the contentment of mind and through enlarged opportunity for creation should increase efficiency, but idle hours provide also greater opportunities for spending. Further, it must not be forgotten that the official schedule of hours applies to the rank and file of the workers only. For those in executive positions "office hours" are usually waking hours; there is no time schedule for those who work with the mind.

On the point of service to the public there is no definite answer. The Eaton Company has by efficient methods been able to reduce its hours to the minimum for retail institutions. The argument against the old idea of keeping open so long as the people are willing to buy—that they will arrange their shopping to meet conditions—has been carried far because the public has been convinced that it pays to shop on Eaton schedule. But how far could this go? Would it be in the interest of all the people if all retail establishments should operate on such short hours? As it is the smaller establishments are given an opportunity to serve the emergency shopper when the big store is closed.

"MONOPOLIES" AND SERVICE

UNDER the caption, "What Ontario Has Escaped," the *Globe* returns to its favorite occupation of extracting sunshine out of that very dubious cucumber—public ownership as exemplified by the Hydro-Electric enterprise in Ontario. After condemning a reported consolidation of Niagara electrical interests in New York State as a "calamity," the paper goes on to refer to another "significant" happening, where the people escaped a "monopoly,"—a consolidation, "not yet effected, but approved by the directorate," of the power plants of the Montreal Light, Heat & Power Company and the Montreal Tramways Company, with a combined capitalization of $100,000,000."

The picture is then drawn of a contrast between Montreal and Toronto, the former being described, like the Niagara district, as "in the grip of an electrical octopus." Toronto has publicly owned light and power "to keep rates down," while Montreal is in the hands of a "monopoly, more than ever helpless when it absorbs the street railway." Toronto is to own the most profitable utilities in three years, while Montreal has parted with them, and is paying six-cent fares, and light and power rates "much above the Toronto level." Therefore, Ontario has reason to be increasingly thankful "for the boon of public ownership."

As a matter of fact the Montreal Tramways Company does not own the power plants referred to, but the Tramways & Power Company, and any proposition for taking over these power plants, THE FINANCIAL POST is informed on the best of authority, has not only not been "approved by the directors," but has not even been considered by them.

If the contrast between the two systems of the two cities is to rest on the "low rates" question, Toronto loses; as has been pointed out before by the official records of the Montreal Company and the Hydro, the average rate for light and power in Montreal is 1.03 cents as compared with 1.18 cents in Toronto, a difference of 14 per cent. in favor of the "monopoly" of Montreal. In gas rates Montreal is again below Toronto. For both gas and electric in Montreal has been proved to have the lowest rates of any city on the continent. The real "calamity" would seem to rest with Toronto in the "grip" of the hydro octopus.

Montreal's six-cent car fare might better be referred to as five-cent fare for tickets, the cash rate of six cents being practically negligible in relation to regular traffic. A recent agreement provides that with lower costs of operation, lower rates shall be given the public, only guaranteeing the shareholders of the company a fair, and limited yield from their investment, and giving the city treasury and the citizens the rest.

Toronto's car fares are lower than those in Montreal, but only because the higher cost of service under present conditions has not been recognized as it has been generally throughout North America. Shareholders of Toronto railway find their dividend cut to 4 per cent and are, therefore, bearing the burden of cheap car fares. It is quite generally expected that if the city takes over the system in 1921, the fares will be immediately increased—otherwise the burden will be conveniently shifted to the shoulders of the ratepayers as in the case of street lighting and other services.

Public ownership advocates champion the rights of the consumer and ignore the burdens of the tax-payer. Some day let us hope they will discover that both are the same and that the most efficient system—service at the cheapest cost—is the one which must survive.

EDITORIAL NOTES

AT the convention of Manitoba Grain Growers, J. R. Murray, one of the officials of the United Grain Growers' Company, ridiculed the charge of Socialism levelled against the farmers by Eastern Canadian financial papers. THE FINANCIAL POST at least has never accused the Western farmers of being Socialists. War-time prices for farm products have made them capitalists.

THE suggestion of Toronto Stock Exchange members that statements submitted to the Government as the basis for the Business Profits Tax should go to the shareholders and the public is a long step in the right direction. The sooner that the few remaining industrial demagogues recognize the rights of their shareholders and the public to information regarding company affairs the better big business interests in general.

THE tariff was described at a Western convention as a sneaking back-door method of taxing the masses for the benefit of the classes. The farmers favor direct taxation under which in the United States last year reported—Canadian figures not available—the agricultural classes paid one per cent. of the total income assessment. The tariff taxes all consumers; the income tax is largely based upon the conscience of the individual.

IT IS significant that F. W. Crandall, an Alberta "Farming Specialist" and owner, operator and manager of large agricultural interests, refers to the crux of the reconstruction problem in Alberta and British Columbia as the development of natural resources—timber and coal production—rather than agriculture. Development of these industries is likely to be slow indeed if the prairie demand for tariff removal is complied with.

SIR ADAM BECK is still looking for that $2,000,000 rebate of duty on electrical equipment brought into the country for his projects. The Hydro's private competitors pay their taxes without complaint. Sir Adam argues that he supplies power at cost. And yet despite the fact that the Hydro seemingly makes no profits—and cannot afford to pay its part of the country's revenue in taxes—and despite the fact also, that it has the provincial courts and legislature at its back in prosecuting the private companies the latter continue to give the better service. Efficiency—ignored by public ownership enthusiasts—is the answer.

THE DEVELOPMENT OF INDUSTRY BY SCIENCE

Some of the Practical Ideas Being Worked Out by the Council For Scientific and Industrial Research

By Resident Representative

OTTAWA.—Newspapermen have a saying that every man has at least one good story tucked away about him somewhere. Every man, also, probably has a message, if opportunity would present itself to deliver him of it. The outstanding message which King George, for example, had, was the one he delivered to Great Britain when he returned from his world circling tour as Duke of York, and, at a banquet in the Guildhall in London, told his people to "Wake up" to the opportunities for commercial expansion in which they had long been leaders, but which he feared they were neglecting. King George saw as so many others who went abroad in the world could not help but see, that Germany was reaching out for control of the world's commerce, and was securing it as a result of the application of science to industry, and the fact that Germans everywhere were distinguished by an intense earnestness in the pursuit of science as applied to trade which was lacking in the other nations.

Let me give an instance of this, the personal character of which may perhaps be excused because it is so much in point. Some years ago the writer was in the laboratory of the Imperial Government science department of one of the West India Islands securing information regarding certain experiments which were being made with different sugar canes. There were three young scientists, two Englishmen and a German in the laboratory. The Englishmen were delightful young fellows, as talkative and full of life as the German was unattractive and reserved. Presently a bevy of pretty American girls from a calling steamer, who had made the acquaintance of all three of the young men, descended on the place, and, in short order, some pleasant excursion was arranged. The Englishmen were game for anything, and an effort was made to include the German in the party. He was full of regrets and apologies, but he "was engached in a mosd inderesding eggsberiment," which he would not leave even for the delights of rare female companionship. His companions had their picnic, and I suppose the German dug out and stored away the particular piece of scientific information about the sugar business he was after.

That incident illustrates the mental attitude of the two races such as it was before the war. The Briton, including the Canadian, left this sort of thing largely to the Teuton, with the result that Germany was admittedly securing almost a monopoly of trade secrets, and what she did not discover she calmly appropriated and perfected. The production of dyes from coal tar, for example, was discovered by the Englishman Perkins, but it was not long before Germany had so completely appropriated the discovery that the dye industry of the world had been monopolized by her, and when war broke out Great Britain and the United States had to get to work and learn the processes for themselves. They had been content to allow the German to appropriate to himself the position of scientific beast of burden for the world, ignoring the fact that the time might come when he would run away with his load of knowledge.

This question of the application of scientific research to industry is one to which the war has awakened the world. It is one of the numerous methods by which Germany, if her mad junker class had left things alone, might have accomplished that conquest of the world which she so lamentably failed to bring about by force of arms. It is one of the things to which the world now unanimously says: "Never again." England, in common with other nations, has at length listened to King George's appeal to "Wake up."

How she is doing this, and how Canada proposes to take part in the game, is a question of vital interest to our manufacturers. In Canada the work is being directed by the Council for Scientific and Industrial Research, working in conjunction with the Reconstruction and Development Committee of the Cabinet. It is proposed as announced by THE FINANCIAL POST some months ago that there shall be created a Central Research Institute for Canada, the government of which shall be vested in the Council, and having associated with its administration the Canadian technical societies, the universities, and representatives from the manufacturing and labor organizations. All these interests are working harmoniously together to this end.

Britain Now Awake

In Great Britain the work was undertaken some time ago. Early in the war she "woke up." A department of research was established, a five-year programme laid out, and a vote of one million dollars a year made to carry it through. The method adopted there, which will likely be followed in Canada, was the formation of trade groups, or guilds, to conduct that work of particular significance to each of them. Every line of industry has, or will have, one of these guilds and new researches under the supervision of the British Research Council are constantly being conducted. Two members of the Canadian Council Prof. McLellan of Toronto University, and Prof. Adams of McGill, are now in Great Britain observing and reporting on what is being done.

In Canada the Research Council and the different trade associations are arranging for the formation of research guilds. The first step was taken at the recent conference of the commercial interests of the Maritime Provinces held at Amherst, N.S., when about twenty fish canning firms decided to form a federally incorporated research guild, and voted five thousand dollars towards research work in co-operation with the Council at Ottawa.

Science and Fisheries

As this is a typical instance of what research means for the manufacturer, it will be interesting to consider just how the fish canning and fishing industries may be helped by applying science to their problems. It is estimated that from five to ten per cent. of the annual lobster and sardine output of the Maritime Provinces goes to waste through spoiling, due to such causes as discoloration, bacteriological deterioration, and so forth. Science will be called on to study and remove the causes. Then, the Research Council estimates that, through the fish offal and non-marketed fish wasted on the Atlantic and Pacific coasts, about six million dollars' worth of fish oil, and enormous quantities of fertilizer and stock and poultry feed is thrown on the national waste heap. The value of these substances is known. In many of the districts in the Maritime Provinces, where fishing and farming are combined, fish and fish offal is spread on the land and is found an excellent fertilizer, even in its raw state.

The Alcohol Project

Take another instance: denatured alcohol. Here we have a chance to not only establish a new industry and give subsidiary aid to a score of others, but might, at the same time, help to solve the problem of utilizing the abandoned distilleries of Canada. As a result of a conference between the Research Council and the Government, it is probable that legislation will be passed removing the excise duty and restrictions on the making of denatured, or industrial, alcohol. The uses to which this substance can be put are legion. Canada has about settled forever that the use of alcohol as a stimulant in Canada must cease; and it would be a fine revenge, which even the most rabid prohibitionist could appreciate, if it were to have its sting removed and be applied to the stimulation and exhilaration of trade. The Research Council can show you a list of fifty or more commercial products, ranging from felt hats to fire-works, to the manufacture of which alcohol can be applied, and dozens of processes where its use is necessary. Even in the small way in which we were using it commercially before the war, nearly a million gallons a year were required, every drop of which we could produce from waste products in two or three of our many pulp mills, by the installation of recovery apparatus involving a trifling expense. All that is necessary is to remove certain restrictions.

The chief aids asked for are the removal of the excise duty, and permission for the denaturing of alcohol in the most convenient and inexpensive way possible. At present all alcohol has to be sent to Ottawa to be denatured before it is allowed to be sold for industrial purposes, involving double transportation charges. It now

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PERSONAL

ROBERT ADAIR, who has been added to the directorate of the Montreal Trust Company, is president of the Hartt & Adair Coal Company, of Montreal. He was born in Scotland fifty-four years ago, and coming to Canada entered into the coal business with the late George F. Hartt. In 1909 he became the principal owner and the president of the company, which has grown to be one of the largest distributors in Montreal. Mr. Adair has many business connections and is well known in philanthropic circles.

E. R. STETTINIUS, of J. P. Morgan & Co., assistant secretary of war for the United States, who recently returned from France, says that France in the reconstruction period will do a great deal more for herself than most outsiders imagine possible. While the devastation has been terrible the French people already are showing a spirit of hopefulness and an energy that is amazing in a nation that has suffered four years of war. Belgium, however, he said, was in unusually sore straits and will need considerable American aid.

GEORGE McLAREN BROWN, European manager of the Canadian Pacific Railway, has been made a Knight of the British Empire, in recognition of services rendered by him to Great Britain during the war. He is a son of Adam Brown, of Hamilton. The Ambitious City's veteran postmaster this week at the age of 93 attended the annual meeting of the Canada Life at Toronto and was there congratulated upon the honor which has been accorded to his son.

F. SEIXAS, who has been general manager of the Niagara, St. Catharines and Toronto Railway for nineteen years, has been transferred by the Mackenzie-Mann interests to the position of general manager of the Monterey Railway, Light, Heat and Power Co., at Monterey, Mexico. He has tendered his resignation off the local system, and will leave for Mexico Jan. 20.

BENJAMIN TOOKE, president of Tooke Bros., Limited, manufacturers of men's wear, died this week after an illness of six months at the age of 71. Mr. Tooke was founder of the firm in company with his brother, R. J. Tooke, who left the firm later on to enter the retail business for himself. In addition to Tooke Bros., Mr. Tooke took a leading part in several other companies and was on the directorate of the Spanish Pulp & Paper Company. For over 25 years the late Mr. Tooke held a leading place in Masonic circles of the province. He was Grand Master of the Grand Lodge of Quebec, a Past Grand First Principal of the Grand Chapter of Quebec, and held the 33rd degree in the Scottish rite. In outdoor life he was an enthusiastic golfer, and twenty years ago founded the Beaconsfield Golf Club and was its first president.

COL. SIR GEORGE McLAREN BROWN, European manager of the Canadian Pacific Railway Company, who has been created Knight Commander of the Order of the British Empire, has been engaged in railroading for the past thirty-seven years, and his ability as a transportation man has been tried and recognized during the war. He was born in Hamilton, Ont., and there in 1881 entered the employ of the N. & N.W. Railway. He transferred to the Grand Trunk shortly afterwards and later entered the service of the Canadian Pacific Railway Company. He advanced through various positions until in 1910 he was made European manager with headquarters in London. Previous to that he became well known in Montreal as agent of the Atlantic steamship lines. After war broke out his services were enlisted in war transportation work and he was given the rank of lieutenant-colonel. In this work he came in close touch with the transportation of the Canadian troops, and shared in the credit for the rapid and safe and efficient convoying of the men overseas and back. Apart from his railway work Sir George is known best probably as a leading Mason, and at one time was W.M. of Canada Lodge A. F. & A. M.

BRIG.-GEN'L. R. F. MANLEY SIMS has taken over the office of Agent-General for Ontario, at London, from Major J. M. Clark, the Assistant Agent-General, who since the death of Lt.-Col. Richard Reid has been Acting Agent-General. Sir William Hearst, Premier of the Province, in making the offer to General Manley Sims, telegraphed that the Government were most anxious that he should take the office at least temporarily, adding: "We feel that in this position you can be of great service to the soldiers and to this Province." General Manley Sims was born in London, and is the son of the late Dr. F. Manley Sims, the well-known physician. Educated at Eton and Sandhurst, he obtained a commission in the King's Royal Rifles. He passed through the Staff College and went to India. He served in the South African War, was twice mentioned in dispatches, was wounded in the foot, and was awarded the D.S.O. and the Queen's Medal with six clasps. In 1907 he retired from the Army and went to Canada, where he was for a time secretary of the Ontario Fish and Game Commission. Later he joined the firm of J. J. Carrick & Co. When the war broke out he volunteered to serve in the British Army, but was refused by the medical authorities on account of his foot. Subsequently he underwent an operation and obtained a commission with the Canadian Army. He was attached to G.H.Q. in France and became Assistant Canadian Representative, and on the retirement of Lord Beaverbrook, became Canadian Representative. In June last General Manley Sims returned to England to join the Ministry of Information as Director of the Departments of Propaganda.

HENRY WORTH THORNTON, formerly general superintendent of the Long Island Railroad, but since April, 1914, general manager of the Great Eastern Railway of England, has been gazetted Knight Commander of the Order of the British Empire. The honor was extended to Gen. Thornton in recognition of his war work. Gen. Sir H. W. Thornton became a British subject in 1916, only two years after taking up his work as operating head of the Gt. Eastern railroad of England. He had been in his new post abroad only a few months when the war broke out and the railroads of England were taken over by the Government. At that time he had only begun to familiarize himself with the big system he had been imported to manage, and criticism which followed his selection, particularly among labor men of England, had not yet died out. The war was only a few months old, however, when the new American manager had reached the point in British esteem to be made a member of the committee appointed by the Government to advise it on the railway situation. A little later he was made a Lieutenant-Colonel, then Colonel and, finally, Brigadier-General. He went to England at the invitation of Lord Hamilton, who said the Great Eastern needed reorganization and rebuilding and that the owners of the railroad couldn't find a man in England suitable for the job. Gen. Thornton was a typical product of American railroads. He was a native of Logansport, Ind., and went into the service of the Pennsylvania Railroad in 1894 after graduation from the University of Pennsylvania.

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INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

WINNIPEG RAILWAY

R. E. S., England—I purchased ten shares of Winnipeg Electric Railway common some years ago. Can I sell these shares, and if so, at what price? How are they considered as an investment? London brokers inform me that Winnipeg Electric in common with all Canadian traction companies experienced a serious setback on the outbreak of the war; the jitney cars particularly took their business and no legislation was at the time existing to cover them. They understand that the position is now considerably better and the last returns show a net increase in earnings of $75,560.

In the case of Winnipeg Electric both the present situation and the future outlook are very unsettled. Jitney competition got to be a very serious factor in relation to traffic and it was only after a strenuous fight that the city council was finally forced to see that it was either a case of regulating or eliminating the automobile competition or that the street railway system would go bankrupt. Following municipal action to dispose of the jitneys the company made application for higher fares. An increase has been granted temporarily and an inquiry is being conducted to decide a definite policy in this connection. The company contends that it cannot continue operating unless increases are permanently arranged, while the city's attitude has been that the fares are sufficiently high if charges in other departments were on a proper basis. Just at the moment the finding in connection with the inquiry is being awaited with interest, but even at that the outlook for the company cannot be regarded as particularly bright while the high costs of operation continue and public sentiment is growing in favor of public ownership of utilities. Until recently the price of the stock, which reached a high point of 269 in 1912, has been fixed at 48 by the minimum price regulation. A few days ago this regulation was removed on the Toronto market and quotations moved down as low as 44 "ask" and 37 "bid" with some sales at 45 and this latter figure now being "ask."

A GOOD SPECULATIVE LIST

J. A. McG., Toronto—I have $1,050 to invest and want to do so in the near future. Do you think my judgment good in selecting 40 Hollinger, 5 Maple Leaf preferred, 4 Canners preferred? Do you know anything of British Colonies Transportation Company? Have some of Steamships preferred and some McIntyre Mines.

Hollinger and McIntyre are regarded as two of the best mining stocks and we doubt if you could select anything better in this class. Maple Leaf is regarded as a strong industrial proposition and Dominion Canners has also been well regarded since the formation of the holding company in the earlier days of the war, which has served to control the situation and the output which at one time threatened to swamp the Canadian markets when there was comparatively small demand for export requirements. The general shortage of foodstuffs and the removal of mining, lumbering and construction activities should ensure satisfactory operations for some time in the future.

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MONTREAL

The British Colonies Transportation Company which was formed to acquire and operate a fleet of vessels on the Atlantic Ocean to trade between Canadian and American ports and South Africa, West Indies and South America is said to be finding business conditions such as to warrant the prospect of returns held out to investors. Immense quantities of freight are offering. Rates for a time after the signing of the armistice showed a tendency to decline, but have recently reacted to as strong a position as before the end of the war. There are no indications of a slump for some time to come. It is estimated that the company's boats have increased in value 25% to 30%. These same conditions in relation to the British Colonies Co. should in a general way apply to Canada Steamship Lines. There is undoubtedly a period of readjustment ahead in water transportation service, but it is likely that there will be a shortage of tonnage for some time and the readjustment process is likely, therefore, to be a gradual one.

In your holdings and the suggestions you have made you have a list of speculative securities which is fairly attractive. If, however, this represents any large proportion of your total investments we think you would be very wise to consider something of a higher class—if not government bonds, either municipal or industrial bonds rather than stocks.

PROMISSORY NOTE

E. M. S., Perth.—Could you tell me how long a promissory note drawn in Alberta has to be overdue before being outlawed?

A promissory note drawn in Alberta can remain overdue six years without being outlawed, or six years from the date on which the last payment is made or the debt acknowledged.

MACKAY

Brantford—Can you give any information on the position of Mackay securities and the outlook?

We have been making further enquiries regarding the securities of the Mackay companies, but as previously intimated available information is very meagre, too meagre in fact to permit a close analysis of market values. We have the opinion of Dow, Jones & Company, New York, however, that as both the cable and telegraph lines of the company are excellent revenue producers there is not going to be any difficulty in maintaining dividends on either the common or preferred. In regard to the outcome of the litigation now pending between the Government and the Postal Company no definite prediction is offered, but it is pointed out that the Government has guaranteed the dividends of telephone and telegraph companies while controlled by Washington, and there would seem to be no reason to anticipate any decline in the company's business when the control ends.

THE DEVELOPMENT OF INDUSTRY BY SCIENCE

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costs about a dollar a gallon in Canada, as compared with fifty cents in the United States. It is believed it can be produced here under unhampered conditions at less than forty cents a gallon. And it can be made nonpotable (or unfit for use as a beverage) without detracting from its value for commercial purposes.

Coal of the Prairies

Take another instance of more immediate and particular value to the prairie provinces. The Research Council estimates that there are in Saskatchewan alone fifty-seven billion tons of lignite coal. The areas, which occur in the Laramie formation, have been worked in a small way at Estevan, Rouleau, Bienfait, and other points in the southern portion of the province for a good many years. Some years ago about thirty different mines were in operation, with a total production of about two hundred thousand tons annually, largely consumed locally, where, although of inferior quality in its "raw" state, it helped out where fuel of any kind is hard to get. The Research Council has made an arrangement with the Federal Government and the Governments of Manitoba and Saskatchewan for the establishment of a demonstration plant at a cost of about $400,000 for the production of carbonized and briquetted coal from these lignites. An exhaustive study of the subject will be made; and it is confidently expected that ultimately the West will supply all its own fuel for heating, lighting, and power purposes. This will give the West cheaper coal, will save millions now paid for American anthracite, and will prevent shortage of the anthracite supply in the East.

Such instances as those quoted will show that Canada is thoroughly aroused to the problem. For its solution, she needs men and money. We have almost a virgin field to work in in this matter of industrial scientific research. The United States have done a little better than we have There are two institutions there, the Bureau of Industrial Standards at Washington and the Mellon Institute at Pittsburgh, which have done great work; all the big universities have faculties of applied science, and there are several well-known institutes of technology. Over fifty industrial concerns have well equipped private research laboratories. Private firms have research workers at the different institutions, and at the Mellon Institute the other day a bakery concern discovered a process for the prevention of loss from evaporation in baking, which it is estimated will save this company a million dollars a year. Another recent instance is that of a research worker at Columbia University, who discovered a new "wrinkle" in cold storage which may revolutionize that industry.

Need for Trained Men

In Canada our output of men qualified for research work equals less than five per cent. of the demand. Less than two per cent. of our industrial concerns have facilities for research work. The few research men we have been producing have been quickly picked up by our neighbors. The only Canadian universities which have given the subject any serious consideration are Toronto and McGill. The Research Council therefore proposes to the Canadian universities that they shall take hold of the matter seriously, and to this end studentships and fellowships will be established to be awarded annually to science graduates in connection with some specified research. As soon as facilities are available at the different universities, there should be hundreds of young men preparing to take up for Canada a portion of the work which Germany relinquished by her own foolish act.—T.M.F.

EIGHTY PER CENT. ON "WASTE LAND"

In the office of George F. Baker, in the First National Bank of New York, there hangs on the wall the original patent from James II, King of England, dated February 4, 1685, for the land on which the First National Bank now stands, therein designated as "waste land" outside the city gate of New York. It was issued to one Thomas Dougan, "late governor and now admiral of New York."

There is attached a small sketch of the property, showing Wall Street with its fence, and the city gate, through which leads "Broad Way."

When one considers, says the Wall Street Journal, that this "waste land" now represents one of the most valuable spots in the world, one realizes what changes a little over two centuries have wrought in New York City.

What would Thomas Dougan have said if he had been told that on this "waste land" would one day stand a banking institution returning to its stockholders over 80 per cent. per annum?

CURRENT OPINION

Under this heading are published, for the information of our readers, the views of leading newspapers and individuals.

Their reproduction does not imply their endorsement. On the contrary, the investigations of THE POST'S editors often lead to entirely different conclusions from those quoted below.

FARMERS' IMPERATIVE NEEDS

Free Press, Winnipeg

The reduction of the tariff, regarded as an instrument for the protection of Canadian manufacturing industry, and the prompt acceptance of the standing offer of the United States of reciprocal treatment of the articles specified in the unratified agreement of 1911, are practical necessities of the West. Equally necessary is the placing on the free list of farm implements and machinery, fertilizers, building materials and the raw materials and machinery of manufacture. If the Canadian farmer is to continue to compete in the markets of the world under the conditions which will prevail a few years hence the lessening of his costs of production and living is imperative. It is vital to the future prosperity of the whole Dominion.

HENRY FORD'S OPINION OF BANKERS

The Bankers Magazine

While visiting New York recently, Henry Ford, the well-known Detroit manufacturer, gave expression to some opinions in regard to bankers which can hardly be permitted to go unnoticed. Mr. Ford had been in attendance at a meeting held for the purpose of collecting funds for the United War Work campaign. This meeting was designated as the "Lambs-Friars' Frolic," and apparently under the auspices of two organizations whose membership is composed principally of stage people. It seems that some individuals in the audience, Mr. Ford among others, were singled out by name and requested, in rather strong language, to make large contributions. This angered Mr. Ford, who arose from his seat and left the hall, and afterwards spoke resentfully of the methods employed in endeavoring to collect funds. His resentment was not improbably well founded, and it must be said that some of the devices resorted to in New York to raise funds for various war purposes have been outrageous and indecent and a disgrace to the city and the country. Possibly, however, considering all the circumstances of the meeting which Mr. Ford was attending, a man with a greater sense of humor than he evidently possesses would have taken the incident less seriously. It must be admitted, however, that Mr. Ford was well within his rights in feeling and expressing resentment against the methods employed to secure his subscription to a fund to which he would doubtless have liberally contributed had he been approached in the right way.

But it is to a report of an interview with Mr. Ford on the following day, as published in the New York *Globe*, that attention is directed. Mr. Ford is quoted as saying:

"That house was full of bankers. You saw them wherever you looked And those bankers don't want to end war. They want to make other wars, for their own gain, so that our boys can lose some more arms and legs. That's all they want They make monstrous sums of money from war, and then they come to meetings and give a little fraction of their gains away, and go away feeling virtuous, and the newspapers come out with big headlines saying how patriotic they are. They're so patriotic that they'd plunge a country into war any day of the week and let thousands of men get maimed and thousands of women and children suffer. That's how patriotic they are.

"Now, I'm willing to give employment to every man who comes home from the war and needs it. I'm willing to take those boys right into my factory, and give them a chance to make their living there. Those bankers are willing enough to send the boys off to fight in the trenches, and to lose an eye or a limb in fighting. But you just ask them what they are willing to do for the boys when they come back, and see if any banker at the meeting last night is willing to give jobs to those same boys. And I'm willing to wager that they'll say that taking care of war veterans isn't their business. No, banking is their business. That's what's the matter with them."

If these sentiments did not accord with others which Mr. Ford has openly avowed, it might well be believed that he was not correctly quoted.

To defend the bankers of this country from his unjust and foolish aspersions is unnecessary It is enough to point to the record of service and sacrifice they have made since this war began—a record with which that of Henry Ford does not brilliantly compare—and to say that the bankers of America did not sink the "Lusitania," rape Belgium and rob France.

Mr. Ford's incendiary outburst comes at a most inopportune moment. Now, if ever, men whose positions give to their utterances unusual weight, ought to be restrained in their language, especially avoiding any statements further calculated to stir up class feeling and hatred.

This country has been exceedingly kind to Henry Ford. Through the opportunities offered him he has been able to pile up an immense fortune in a short time. Rather than share his gains with the public, he has preferred to amass them for his own personal aggrandizement. Because the world does not choose offhand to accept all his own peculiar notions regarding the reconstruction of human society, he indulges in petulant denunciations like those above quoted. A very rich man himself, he seems to take particular pains to inveigh against others who are supposed to have or to represent wealth. His objections to bankers probably typify his dislike of them as a class, and not as individuals. He can not surely believe, for example, that the bankers of his own city of Detroit are such in human monsters as his heated language describes. His absurd notion that bankers are responsible for war rests upon the monumental fallacy that the banker profits through war and consequently is indifferent to the cost and suffering which war entails. The bankers of the United states' have, it is true, been energetic in providing funds to carry on the war, as they have been in raising money to alleviate its distress and suffering. But have they been especially distinguished in this work, except as the positions which they occupy have rendered them conspicuous? Have not all classes, even the humblest, likewise contributed to the extent of their ability?

Mr Henry Ford's dislike of war is not confined to himself alone. Few thoughtful men, bankers included, regard war as anything but a desperate resource to end intolerable wrongs. They are hoping and patiently seeking for a better way, and many had even reached the belief that this hope was on the verge of realization when the madman of Europe launched the attack which has deluged the world in blood.

Victory Bonds
(all issues)
1922-1923-1927-1933-1937

Bought-Sold-Quoted

GREENSHIELDS & CO.
Members Montreal Stock Exchange
Dealers in Canadian Bond Issues
17 St. John Street, Montreal
Central Chambers, Ottawa

Still, those of great faith and patience do not yet despair. They will be grievously disappointed if this awful struggle does not itself provide a remedy that will act in restraint of the warlike tendencies of mankind. And in this expectation bankers share in at least the same degree as other members of the community. But this hope can not be realized until some practicable means is found whereby international injustice can be prevented.

SPECULATION vs. INVESTMENT

New York Sun

Just where investment ends and speculation begins is a much mooted question and one which has been worn threadbare by discussion. A more or less new definition of investment, however, is contained in a statement of President C. A. Stone, of the American International Corporation, in which he says that "To purchase an interest in a corporation, and to hold that interest during its period of development, and later to sell with a view of using the money to assist in the development of some other enterprise, is not speculation in any sense of the word. We may always invest our surplus capital in enterprises of this nature, but as time goes on it is probable that the greater part of our capital will be required for such enterprises as we ourselves are developing and stand back of, solely for the purpose of receiving such profits as may accrue."

What is the reason for this exposition of the American International Company's financial activities may not be quite clear to some, but it is revealed in the earlier part of the statement which indicates that some one has committed "lese majeste" by accusing the company of speculation. "A study of the shipping situation gave us a knowledge of the possibilities for the development of marine business and we purchased a large block of International Mercantile Marine stock. I have closely followed the activities of this company. We further made an investment in the stock of the United Fruit Company, and several other corporations. These expenditures are to be considered solely as investments. We have been popularly supposed to have speculated in stocks of various corporations. Nothing could be further from the truth."

CANADA LIFE

"Progress All Along the Line in 1918"

December 31st, 1918.		Increase.
Total Assets	$ 65,947,574	$ 3,367,238
Total Assurances in Force	195,980,550	12,963,790
Total Income	11,048,342	1,477,350
New Assurances Issued	25,772,748	2,230,284
New Assurances Paid for	23,891,668	2,522,725
Reserves for Protection of Policyholders	55,015,954	2,453,476
Net Surplus	6,983,662	252,470
Payments to Policyholders	5,535,673	1,194,709

Above, in brief, are the results for 1918 as shown by the Financial Statement.

Below are a few other important accomplishments during the year.

THE CANADA LIFE IN 1918:—

1. Placed more additional insurance with existing policyholders than ever before.
2. Succeeded in showing a substantial increase in the amount of the average policy.
3. Greatly extended the sale of Monthly Income and Business Insurance during the year.
4. Carried out the year's operations with an important decrease in the ratio of expenditure.
5. Maintained an interest rate of 5.83%, notwithstanding large purchases of 5½% Victory Bonds.
6. Patriotically subscribed almost its entire revenue for the year to the Victory Loan.

ANNUAL REPORT FOR 1918 MAILED ON REQUEST.

MAKE YOUR FORTUNE
LIVE AFTER YOU

MANY men, during a lifetime of hard work, have earned and accumulated a fortune, which, after their death, has been dissipated through mismanagement, ignorance and extravagance.

You can guard against such a contingency and make your fortune live on after you; make it perform your cherished wishes, by placing it in trust with The Royal Trust Company.

The Officers of this company will be glad to correspond with you regarding any trust matters you may have in mind.

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BRUCE L. SMITH - Manager

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EXECUTORS AND TRUSTEES

HEAD OFFICE: MONTREAL

BRANCHES
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VICTORIA WINNIPEG TORONTO OTTAWA
QUEBEC ST. JOHN, N.B. HALIFAX ST. JOHNS, NFLD.
T61

Business Founded in 1795
AMERICAN BANK NOTE COMPANY
(Incorporated by Act of the Parliament of Canada)

BANK NOTES, BONDS, STOCK
CERTIFICATES, CHEQUES AND
OTHER MONETARY DOCUMENTS

SPECIAL FACILITIES FOR THE PREPARATION OF MUNICIPAL DEBENTURES

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BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL
Authorized Capital - - $2,000,000.00
Subscribed Capital - - 1,000,000.00
Paid-up Capital - - 247,015.79
General Fire Insurance Business Transacted
Theodore Meunier, Manager
Reginald B. Gaudin, Assistant Manager

THORNE, MULHOLLAND, HOWSON & McPHERSON
INDUSTRIAL ADVISORS
John L. Thorne
G. M. Mulholland
E. J. Howson
R. S. McPherson
A. B. Shepard
H. W. Vanstone
Robert Arkell
M. Hilborn
Our staff comprises a group of specialists in Production and General Business Problems such as yours.
Bank of Hamilton Building, Toronto, Canada

NEWS OF THE BOND MARKET

SPECULATION AS TO TREND OF PRICES IN BOND MARKET

Pretty Difficult to Know Just How Market Will Move

AN ALBERTA ISSUE

Some Idea of Present Tendencies Will be Afforded By Sale of Alberta Bonds Next Tuesday

There is no special change in bond market conditions this week except that prices, if anything, are stiffer and the scarcity of issues more pronounced. The situation is becoming increasingly interesting and there is much speculation as to the trend of prices. At the moment there is no difficulty in disposing of issues at the seller's valuation. The greater Winnipeg Water District issue has been successfully placed at 6 per cent. and other smaller issues recently awarded have been disposed of with rapidity. On the surface at any rate there seems every justification for the higher prices at present prevailing.

Adverse Factors

There are, however, several factors which give one to pause and refrain from regarding the outlook in too rosy a light. For one thing there is the European situation, with its possible reaction on American conditions; for another, there is the new United States loan, which will be floated this spring. At home there is the prospect of the early flotation of a considerable number of new issues, without any certainty that the market will be able to absorb them at prevailing prices. Also, as prices rise, there will be an increasing tendency for institutional investors to revert to mortgage loans as an outlet for their funds. All these factors are bound to influence the market and at least prevent any considerable rise in values.

On the other hand there are undoubtedly great potentialities in the situation. The wonderful strength of the Victory Loan is proof of the solidarity of Canada's investment position and, given that the Government can borrow through other channels, there should be no difficulty in selling to the great mass of new investors the comparatively small total of provincial and municipal bond issues which will come on the market this year. Then, too, the American investor will again be a factor, as he was in 1916; his buying may not amount to much just yet, but with the new federal loan placed, he should be in a position to take up an increasing proportion of Canada's bond offerings. There is undoubtedly a powerful absorptive force developing in the U. S., which will offset any weakening i nthe domestic demand as the year advances.

New Issues Coming

The Alberta issue, which will be awarded on Tuesday, should give a pretty clear indication of immediate tendencies in the market. It is a nice issue, running for twenty years and paying 5½ per cent., and there will be some keen bidding for it. It will be followed by other provincial issues, practically every province having bonds to offer. As for municipals, it is well known that there are a lot of unsold issues in the hands of municipal bankers and with the higher prices now ruling it is to be expected that a good many of them will be placed on the market.

Recent Awards

The latest sale is that of the township of Brantford, which awarded to A. E. Ames & Co. an issue of $17,427, 5½ per cent., debentures maturing 1920-33 at $17,080. There were several tenders ranging as follows:—

A. E. Ames & Co	$17,080.00
Mullholland, Bird & Graham	16,991.00
Aemilius Jarvis & Co.	16,975.21
C. H. Burgess & Co.	16,972.00
Canada Bond Corp.	16,970.14
G. A. Stinson & Co.	16,970.00
Housser, Wood & Co.	16,966.00
Brent, Noxon & Co.	16,931.00
W. A. McKenzie & Co.	16,929.74
Wood, Gundy & Co.	16,865.00
Macneill & Young	16,777.22

An issue of $100,000 City of Victoria, B.C. 5½ per cent. bonds due 1946 to 1948, has been awarded to Brent, Noxen & Co. and W. A. Mackenzie & Co. The same firms were also interested in the $125,000 issue of Regina school bonds reported in last week's issue of THE FINANCIAL POST.

Brent, Noxon & Co. have purchased an issue of $2,500, 6 per cent., 20-instalment bonds of L'Orignal. Ont.

H. J. Birkett & Co. have purchased an issue of $7,500, 7½ per cent., 15-instalment bonds of the Naisberry Rural Telephone Co., Sask.

Default in Interest

The bonds of the town of Montreal North are in default in interest from the first of November and efforts are being made to arrange for the payment of this. This issue is a 6 per cent. one dated May 1, 1915, for forty years, maturing May 1, 1955. Principal and interest are payable at the Bank of Hochelaga, Montreal. The total debenture debt of the town amounts to $530,000, with a net debt of $250,000. The assessment is $474,000, and the population a little over 1,200.

NATIONAL CITY CO.'S PLANS FOR CANADA

Vice-President Baker Tells What His Company Proposes to Accomplish

Plans of the National City Company of New York for the development of Canadian business were outlined to THE FINANCIAL POST this week by H. B. Baker, vice-presicent of the company, who has been visiting the new branch in Montreal and incidentally, in company with Norman Mather, the Canadian manager, looking over the Toronto situation.

"Our Montreal office is now open," declared Mr. Baker. "In fact we have simply taken over Mr. Mather's office. As for Toronto, we expect to open there as soon as we can find suitable premises. Other branches will doubtless be opened from time to time as the need arises. These Canadian branch offices will be in every respect on a par with our offices throughout the United States and they will render to Canadian investors precisely the same service that our American branches render to United States investors.

"One of the chief functions of these branches will be to assist in placing foreign securities. It must be recognized that the bond business in both Canada and the United States is on a different basis from what it was before the war. If the two countries are to do export business they will have to be prepared to extend credits. In other words, we must absorb foreign securities and it is not sufficient that the banks should do this, but the securities must be taken up by the investors. As desirable foreign issues are made it is our intention to offer them to investors in both countries on equally favorable terms."

In reply to a question as to the company's attitude towards Canadian bonds, Mr. Baker stated that it was certainly not the intention to buy up Canadian issues and transfer them to the American market in their entirety. They would certainly try to secure Canadian issues, but Canadian investors would be given an equal opportunity to purchase the bonds with American investors. Offerings would be made in both markets, and the interests of the small investor, who had only $100 to invest, would be as carefully safeguarded as those of the big investor.

THE TIME TO EXCHANGE

Short-term Securities Should Be Converted Into Long-term Bonds

In a circular to clients issued on the eve of the holiday season, Wood, Gundy & Co. point to the advantage of holding long-term Government bonds. Referring particularly to the Victory bonds maturing in 1933 and 1937, they say:—

> It is becoming increasingly difficult to obtain any of the above bonds even at the increased price. and it is natural that with a further cleaning up of the market long-dated securities will continue to advance in harmony with conditions.
>
> "In normal times long-term Government securities, as you know, sell around a 4 per cent. interest return basis. Even a 5 per cent. income rate on the above bonds would show a very substantial appreciation in value.
>
> "A 5 per cent. rate on the above bonds two years from now is as follows:
>
> 5½ per cent. bonds maturing 1 Nov., 1933, 104.73 and interest.
>
> 5½ per cent. bonds maturing 1 Dec., 1937, 105.68 and interest.
>
> "This situation is of special interest to investors having funds available in the near future, or holding securities such as United Kingdom Notes; Anglo-French Bonds; Dominion of Canada 5 per cent. Bonds, maturing 1919, or other short-dated securities of any description.
>
> "By exchanging the above for long-term Government bonds the investor secures the advantage of the present very favorable wartime interest rates, and extends them for a long time into the future. On the other hand, it is very doubtful whether investors who hold short securities until their maturity will be able to re-invest at that time at such favorable prices as prevail now."

MACKENZIE INTERESTS

Assessments in Toronto Total Over $10,000,000

The Mackenzie electric interests represented by such companies as the Toronto Railway, Toronto Power, T. E. L. and York Radials, is assessed for about $10,000,000 in Toronto for 1919, according to the "Star," according to a list of company valuations completed by the Assessment Department. The steam railways are assessed for nearly $22,500,000, the Consumers' Gas Company for nearly $5,000,000, the Bell Telephone for considerably over $8,000,000.

BIG DROP IN U.S. MUNICIPAL BOND SALES LAST YEAR

Borrowing Was Reduced by 41 Per Cent. Over 1917

VALUES MAINTAINED

Increase in Federal Income Tax Had Favorable Effect on Tax-free Municipal Bonds

An interesting comparison is afforded in the volume of municipal financing negotiated in the United States in 1918 and previous years. According to the records compiled by "The Daily Bond Buyer" of New York, States and municipalities have borrowed for permanent improvement works and refunding purposes a total of $260,661,464 in the year just ended. This compares with the volume of sales in previous years as follows:

1917	$444,932,848
1916	495,903,751
1915	492,590,441
1914	446.405.500
1913	408,477,702
1912	339.046.083
1911	452,113,716
1910	324.360.955
1909	363.630,786
1908	355,384,466

During practically the entire year 1918 the Capital Issues Committee was in existence and was exercising strict control over municipal financing. Also, during this period, the high cost of labor and materials made it impossible for many States, cities. and other municipalities to carry out their public works programs. The result of the war-time conditions and regulations is seen in a reduction in total sales of bonds of $184,271,384 or 41%, as compared with the preceding year.

Notwithstanding the fact that in 1918 the United States was financing its tremendous war effort through the sale of billions of dolars' worth of Liberty bonds, municipals did not suffer a decline in market value as did practically all other securities. In fact, the net change in price for the year has been favorable in the case of "little governments." The "Bond Buyer's" index of municipal bond values (the net income basis on which bonds of a number of large cities have sold) traces the course of the market during 1918 and for a number of previous years, as follows:

INDEX OF MUNICIPAL BOND VALUES

Jan.	4.62%	July	4.56%
Feb.	4.65%	Aug.	4.58%
March	4.63%	Sept.	4.57%
April	4.72%	Oct.	4.57%
May	4.67%	Nov.	4.55%
June	4.64%	Dec.	4.40%

Jan. 1, 1919....4.44%

1917	4.25%	1912	4.01%
1916	4.02%	1911	3.98%
1915	4.22%	1910	3.91%
1914	4.16%	1905	3.48%
1913	4.45%	1900	3.25%

1895....3.62%

The appreciation in the value of municipals in 1918 is explained by the drastic increase of the rates of the Federal income tax, from which interest on State and municipal bonds is entirely exempt.

BOND HOUSE ESTABLISHED

Lester M. Green and Fred C. Henderson Form Partnership in Toronto

Under the firm name of Green, Henderson & Co., and with offices in the Sun Life Building, a new bond house has been established in Toronto by Lester M. Green and Fred C. Henderson. The new firm, which is now open for business, will specialize in government, municipal and corporation bonds.

Lester M. Green, senior member of the firm, began his financial career in 1908 with F. H. Deacon & Co., with which firm he was associated for four years, having previously attended Victoria University. Later he was on the staff of the Bankers' Bond Company, when he enlisted for active service and was discharged in Canada as medically unfit after having held the rank of Major in the 164th Battalion. For the past nine months he has been with the War Trade Board, Ottawa, where he gained very valuable experience and insight into industrial conditions in the Dominion.

Fred C. Henderson, after taking the course in commerce and finance at the University of Toronto, was with F. H. Deacon & Co. for some time before the war. In 1915 he proceeded overseas and was granted a commission as a pilot in the Royal Naval Air Service. He saw active service on the North Sea, in Palestine, Italy and the Eastern Mediterranean. For several months before returning to Canada in the summer of 1918. he was Staff Captain to Admiral Mark Kerr. C.B., M.V.O., Deputy Chief of Air Services at the Air Ministry, London.

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Government and Municipal Bonds
C.P.R. BUILDING
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Government and Municipal Bonds
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VICTORY BONDS
afford most security, enjoy readiest market, and yield a high income.
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We specialize in Western School and Municipal Debentures, also Saskatchewan Rural Telephone Bonds.
CORRESPONDENCE INVITED
Union Bank Building
WINNIPEG

Cyrus H. McCormick retires as president of International Harvester Co. and becomes chairman of board of directors. He is succeeded by [illegible] brother Harold F. McCormick.

Municipal Finance

—Now that the war is over—it seems reasonable to expect that normal conditions will soon return and permit Municipalities to issue loans of a more permanent and conservative character.

—Therefore present financing should be for short periods of not more than, say, five years.

—We are open to purchase total new issues of Government and Municipal Bonds of such short maturities.

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FIELD OF MUNICIPAL FINANCE

BIG ASSESSMENT INCREASE BY THE CITY OF TORONTO

Annual Report of Assessment Commissioner Just Issued

GAIN OF 3½ PER CENT.

Total Assessment Now Exceeds Combined Total of 23 Other Ontario Municipalities

Toronto's assessment, according to the Assessment Commissioners annual report just issued, exceeds the total assessment of 23 other Ontario municipalities by $128,137,830. The city's assessment totals $624,207,889, compared with $496,070,059 for the following cities combined: Hamilton, Ottawa, London, Brantford, Windsor, Kingston, Peterborough, Kitchener, Guelph, St. Thomas, Owen Sound, Belleville, Galt, Brockville, Fort William, Sault Ste. Marie, St. Catharines, Stratford, Port Arthur, Chatham, Niagara Falls, Sarnia and Woodstock.

The total population of the cities mentioned is 614,811 compared with Toronto's 489,681.

Big Assessment Increase

In the past twenty years the assessment of the city has increased $496,324,073, or 388 per cent., and in the past ten years $390,254,784, or 167 per cent. The number of buildings shown on the assessment roll in 1918 was 99,013, compared with 98,500 in 1917, an increase of 513.

The total assessment for the year 1919, as returned by the Assessors, is as follows: Land $29.473.295, buildings $229,991,469, business $66,174,539, income $33,768,586, total $624,207,889.

Total assessment for the year 1918, as finally revised, $602,939,239, increase $21,268,650, or 3.52 per cent.

The increase is made up as follows: Land, $4,010,480, or 1.38-100 per cent.; buildings, $5,803,757, or 2.58-100 per cent.; business, $2,921,285, or 4.61-100 per cent.; income, $8,533,128, or 33.81-100 per cent.; total increase, $21,268,650, or 3.52-100 per cent.

The amount entered on the 38 local improvement rolls annually prepared by the department for 1918 totalled $1,807,688.88, a decrease of $99,145.75 compared with 1917.

10,270 Property Transfers

From December 15, 1917, to December 14, 1918, there were 10,270 transfers of property, an increase of 965 as compared with the previous year. The total number of assessments last year was 187,958, as compared with 178,707 in 1917, an increase of 9,251. Over 234,000 assessment notices were sent out during the year, while 164,060 post cards, notifying persons where to vote, were sent out at a cost of $3,904.19.

Vacant land sold by the department during the year realized $29,787.50, and 47 Island leases were renewed and two new ones granted. The new rentals show an annual increase of $4,034.22 for a term of 21 years.

The value of the real property of the corporation, Mr. Forman reports, is now $48,469,840, an increase over the previous year of $626,435. This includes the property of the Board of Education.

HOUSING SURVEY

To be Undertaken by the Health Department of Winnipeg

The civic health department of Winnipeg with the assistance of the building inspector's office will make a full survey of the housing situation in Winnipeg, following a decision reached by the city council at a recent meeting. This decision was reached after a fairly long discussion of the Federal Government's housing scheme had been indulged in by a number of members of council.

Ald. Heaps believed the city could build a number of houses on the exhibition grounds to be converted into parks and gardens. He was disappointed at the result of the recent conference, when so much time was taken up through the discussion of the housing problems in localities such as Melia, Morris, Griswold, Winnipeg Beach, etc. He was under the impression that the Government's scheme tended to the establishment of better houses in the principal industrial centres where they were most required.

Ald. Fowler and Controller Puttee supported the Government scheme, but doubted if it would be wise to go into the loaning business very heavily just now, when building material was so very high. They thought it might be wiser for the people to wait until the inevitable drop in the cost of building material. In any case as the survey of the houses would be absolutely essential, it was decided to have it made by the health department with the assistance of the building inspector's office.

MUST PAY TAXES

Hudson's Bay Co. Loses Important Case Heard at Regina

The appeal of the Hudson's Bay Company against the decision of Mr. Justice Lamont, rendered on July 17 last, which directed the Hudson's Bay Company to pay a surtax of 6¼ cents per acre on all of its uncultivated lands in Saskatchewan, was dismissed in the Court of Appeal at Regina during Christmas week. All of the appellate judges—Sir Frederick Haultain, Mr. Justice Newlands and Mr. Justice Elwood—were in favor of the decision given by Mr. Justice Lamont. The Hudson's Bay Company immediately took steps to appeal the case to the Privy Council.

According to the decision of Mr. Justice Lamont, the Hudson's Bay Co. is liable to pay a surtax on all its uncultivated lands in the province as provided by the Wild Lands Tax Act. Liability of payment, however, is suspended, pending the final decision of the Privy Council. The amount immediately in dispute is in excess of $500.000. while the acreage involved totals 1,778,844 acres in Saskatchewan.

Inheritance taxes on the estate of the late Mrs. Mary Lily Bingham, formerly Mrs. Henry M. Flagler, New York, if paid on the basis of a final valuation, will produce $4,537,418 98, and not only wipe out the indebtedness of the State of Kentucky, placed at $3,165,106.19, but leave a balance in the State Treasury of $1,372,312.79, according to the report of the State Inheritance Tax Appraiser, filed in county court here.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

Jan. 14, Province of Alberta—$1,000,000 in 20 year, 5½ per cent. gold bonds, dated January 1, 1919, interest and principal payable at Edmonton or New York. Tenders to be addressed to the Provincial Treasurer, in care of the General Manager, Imperial Bank of Canada, Toronto.

BY-LAWS PASSED OR DEFEATED

Belleville—$10,000 grant to G. W. V. Association to assist in purchasing or erecting a memorial building, carried by ratepayers, Jan. 6.

Brantford—$75.000 for schools; $125,000 for street railway extension, carried by ratepayers Jan. 6.

Galt—$15.000 for soldiers' memorial home; $15,000 for isolation hospital and $15,000 for nurses' cottage, carried by ratepayers Jan. 6.

Sault Ste. Marie—$10,000 to provide club room for G. W. V. A., defeated by ratepayers Jan. 6.

Stratford—$50,000 for establishment of civic fuel yard defeated; $12,000 to improve waterworks, carried by ratepayers Jan. 6.

Welland—$50,000 for new fire hall, carried by ratepayers Jan. 6.

Burlington—$30,000 for erection of a new school, carried by ratepayers Jan. 6.

Essex—$1,500 grant to Soldiers' Aid Commission, carried by ratepayers Jan. 6.

Listowel—$18,000 for extension of pavements, carried by ratepayers Jan. 6.

Pembroke—$50,000 for extension to waterworks system, carried by ratepayers Jan. 6.

Thorold—$3,000 for purchase of a park, carried by ratepayers Jan. 6.

Uxbridge—$7,000 for purchase of electric light plant, carried by ratepayers Jan. 6.

Belleville—$50,000 to cover city's contribution to the Canadian Patriotic Fund for 1918, passed by council Dec. 30.

Perth—$6,956.81 for construction of granolithic walks, passed by council December 30.

Mimico—$15,000 to pay for buying and storing wood for fuel, passed by council Dec. 16; registered Dec. 23.

Niagara Falls—$38,000 to buy property for park purposes, defeated by ratepayers Jan. 6.

BOND SALES

$100 Asbestos at 75; $2,000 Canada Cement at 97; $3,500 Cedar Rapids at 88 to 87; $4,100 Can. Cottons at 86 to 81; $6,300 Cons. Rubber at 90¼; $6,500 Dominion Coal at 92¾; $4,500 Dom. Cotton at 98 to 93½; $4,000 Lyall's at 93; $1,000 Penmans at 87; 15,000 Riordon at 94; $1,000 Steel of Canada at 94; $31,200 Wayagamack at 81½ to 81; $5,800 War Loan (1925) at 96¾ to 95¾; $12,700 War Loan (1931) at 96¾ to 95¼; $143.000 War Loan (1937) at 97¾ to 96⅝; $214,870 Victory Loan (1922) at 99 to 98; $74.050 Victory Loan (1927) at 100¾ to 99¾; $233.700 Victory Loan (1937) at 102½ to 100¾.

SURTAX LEVIED BY MONTREAL ON PUBLIC UTILITIES

Last Year Brought in About a Quarter of a Million

A THREE-YEAR LEVY

Two Companies, the Montreal L., H. & P. Co. and the Shawinigan W. & P. Co. Make Protest

The special surtax authorized by the Quebec Legislature last winter to be levied on public utility companies making use of the public streets of Montreal produced a revenue last year of about $250,000. While two companies are contesting the city's valuation of their property, consisting of wires, cables, conduits and the like, this has nothing to do with the principle of the surtax, which was authorized for the years 1918-19-20.

The clause in the city charter authorizing the surtax states that the city is empowered to impose it during the years specified, on the property situated in the streets, lanes and public places of the city, belonging to any telephone, telegraph, lighting, gas, electric power or water works company, or to any company operating public utility services of any kind, and making use of the city streets, lanes, or public places for its operations. Such surtax shall not exceed one per cent. per annum in the case of water works companies, or five per cent. per annum in all other cases, of the value of the property, as entered on the valuation roll in force and shall be shown every year on the valuation and assessment rolls. The Montreal Tramways Company shall be exempt from such tax, concludes the clause.

Contests Valuation

The highest tax is on the property of the Montreal Light, Heat & Power Company. It amounts to $125,030, which has not yet been paid, as the company is contesting the city's valuation on which the tax is levied.

The Bell Telephone Company comes next with a tax of $107,472. The tax on the company is levied on its poles, wires, overhead cables, underground conduits, telephone instruments, etc., on which the city placed a valuation of $2,149,450.

The valuation of the pipes, special hydrants and water services of the Montreal Water & Power Company was estimated by the city to be $1,849,500, but as the rate is only one per cent. on companies supplying water, the tax amounts to only $18,495, which sum was later reduced by the city, as the company contested the valuation.

The valuation of the poles, wires and cables of the Great Northwestern Telegraph Company being $23,050, the amount of the tax was $1,152. The Canadian Pacific Railway Company's valuation within the prescribed limits being $35,000, the tax amounts to $1,750.

The surtax on the property of the Shawinigan Water & Power Company amounts to $1,875, on a valuation of $37,500. This matter is under contestation.

REAL ESTATE AT MEDICINE HAT

Poor Crops Past Two Years Have Had Some Effect on Conditions

Reviewing real estate conditions in and around Medicine Hat at the year-end, F. M. Ginther, of the F. M. Ginther Land Co., gives THE FINANCIAL POST the following information on the situation:—

"The renting situation here is, as regards business property at the present time, very good. There are only three or four vacant business places in town, and I understand that the places are all renting so as to bring in a good revenue to the owners. None of the vacant places have been empty very long, and I attribute the vacancies to our poor crops in Alberta the past two years. If it hadn't been for the poor crop conditions would be very good here now, and are good considering the two bad years and the war conditions. The renting situation to-day is very much better than it was in the early days of the war. In the early days of the war there were a large number of business places vacant, and between three to four hundred houses. At the present time there are very few houses vacant. I would say not over ten to twenty in the whole city, and if it hadn't been for the two poor crops we would be very short of houses here at the present time.

"About real estate values and vacant land, it has been so quiet along that line since the war started that it is pretty hard to put a value on vacant property. If I was putting values on vacant property here at the present time, I would put it about one-quarter of what the same property sold for in the boom days of twelve and thirteen. Houses and business places are selling much better than the vacant stuff. I would say that the outlook was very good for a town in the situation that this town is in for an improvement in values in both vacant and improved property from now on, as I think we have certainly hit the bottom here.

"There isn't much building going on here at the present time. I attribute that more to the two poor crops than anything else, as I think there would be quite a lot of building going on here now if we had had normal crops. There is not a housing problem in Medicine Hat at the present time. The City Council is taking up the Government grant that we understand is being made by the Dominion Government.

"Farm lands in the Medicine Hat district are about the same value as they were before the war, a little higher perhaps, but the same thing applies in regard to the poor crops as it does in the city. Values would be very much higher to-day than they are now if we had had good crops for the past two years, with the high prices that have prevailed for all farm produce. I think farm land at its present value is a very good buy.

"There seems to be plenty of money to take care of the farmers that want farm loans. The rate of interest runs from eight to nine per cent. I have not heard of anyone having any difficulty borrowing money on farm land. As regards the city there hasn't been any demand for money in the building line. I do not think it would be difficult to get money to build in the city if there was any building being done."

DESIRE FOR SHOW CAUSES HIGHER RENTS

Some Interesting Sidelights on the Business of Building and Renting Apartments

Dr. Chas. V. Paterno, of New York City, is probably the world's champion apartment house builder. Still only 39 he has in the last 18 years erected no less than 75 of them, sufficient to accommodate a total population of over 28,000 people. Obviously he has been successful, and what he has learned about the business of housing people comes pretty near accuracy.

He got into apartment house building by accident for, though he has never practised, he is a graduate of Cornell Medical College. In an analysis of apartment house "technique," if one can call it that, in the current "American Magazine,' he says:

> Curiously, in New York, accessibility is even more vital to renting availability than it is in the small town. A man's first questions about a New York apartment are, "How near is it to the subway, elevated and street car line? How long will it take me to go to and from my business?" For an apartment only one block from a transportation line he will pay at least ten per cent. more than for one four blocks distant. And for one ten minutes nearer his business than the apartment in which he has been living, he will actually "raise the ante" thirty per cent. if he can afford to.
>
> Apartments in a good neighborhood, yet near the business districts, are almost twice as expensive as those two or three miles distant.

And this despite the fact that it may take only 15 minutes a day longer ride to reach the latter.

> But this is not the only problem of location. Women, especially, like to live in a fashionable neighborhood. Men, too, want to appear prosperous; and they know that the ability to pay the high rents asked in an exclusive section generally passes as a proof of prosperity.
>
> But in New York people really go to extremes about outward show. If I built the finest apartments in the city, but located them in a poor section, do you imagine that people would leave the "better class" districts and flock to these apartments, even at a lower rental? Certainly not. They would rather have a few small rooms in an exclusive neighborhood than a good-sized paartment in an unfashionable section. Pride seems to mean more to them than comfort does.
>
> This desire for show is one of the chief causes of high rents. Since people demand handsome entrances and luxurious fittings they must expect to pay the costs of these things in the form of increased rent.

As to which rooms are the "test" rooms in an apartment Dr. Paterno has no doubt: for the men it's the bathrooms, for the women the kitchens and pantries. As for the bathrooms the chief thing asked for is size! As for the kitchen and pantries

> A woman wants modern improvements, but she is especially keen about shelves. She wants a lot—and then a lot more. In the ordinary city apartment there is usually shelf room for only two or three hundred dishes. I now build shelves which can hold more than a thousand. And when the women see this generous provision they almost echo the men's three cheers from the bathroom. The size of ice boxes is usually another cause for complaint.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
Jan. 2	Sydney, N. S., various	Eastern Securities Co., St. John	5% 6%	30-yr 30-yr	$237.500 27,000	......	......
Jan. 4	Brantford Township	A. E. Ames & Co.	5½%	1938	17,427	......	......
Jan. 4	L'Original, Ont.	Brent, Noxon & Co.	6%	20-ins.	2,800	......	......

JANUARY INVESTMENTS

We have an attractive list of securities suitable for the re-investment of January dividends and interest. Particulars gladly furnished on request. Correspondence invited.

W. A. Mackenzie & Co.
TORONTO, CANADA
Government and Municipal Bonds

THE UNION BANK OF AUSTRALIA, LTD.
Established 1837. Incorporated 1880
CAPITAL—
AUTHORIZED AND ISSUED. £6,000,000
Paid-up Capital £2,000,000
Res. Fd. £2,025,000 Together £4,025,000
Res. Liab. of Proprietors. . £4,000,000
Total Capital and Reserve. £8,025,000
Head Office: 71 Cornhill, London, E.C. 3
The Bank Has 181 Branches, viz:
In Victoria 41
In New South Wales...... 39
In Queensland 19
In South Australia 14
In Western Australia.... 21
In Tasmania 3
And in NEW ZEALAND.. 44
Drafts upon these Branches are issued by the Head Office and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued—available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

STOCKS WANTED
Dominion Sugar. Home Bank.
Sterling Bank.
Trusts & Guarantee.
Alberta Pacific Grain Com.
J. E. CARTER,
Investment Broker,
Guelph, Ont.

THESE ATTRACTIVE Health Resorts Are Easily Accessible

DURING the winter season many people plan, with advantage to health, a stay at one of the established sanitariums where, amid ideal social conditions at a comfortable, homelike, high-class hotel, the overworked system may be reinvigorated and where treatment of proved efficacy for rheumatism and kindred ailments is available. Three of the most famous resorts of this character are reached by Grand Trunk lines, viz., St. Catharines Well, Ontario; Mount Clemens, Mich., and Battle Creek, Mich. Medicinal waters, baths and expert treatment are features which attract patrons to the establishments at these points. Write for full information and booklets descriptive of these resorts to any Grand Trunk Agent or C. E. Horning, District Passenger Agent, Toronto.

EPIDEMIC RESERVES

Recent Epidemic of Influenza Shows These Are Necessary

In the compensation business many companies consider it absolutely necessary to maintain contingent or special reserves for claims, reserves additional to those required by the laws of the most exacting states, says the editor of the "National Underwriter." Experience has proven that these reserves are necessary.

The recent influenza epidemic has shown the necessity for some sort of business. The surpluses of the larger companies which serve as surpluses not only for the accident and health business, but also for their liability, compensation and other lines have been entirely adequate to meet the health claims, but some of the smaller health insurance companies have felt the drain very severely.

Special reserves of this sort are nothing more nor less than surplus set aside for a special purpose, and while laws do not require them and will probably not require them, wise companies will retain them not only for the sake of safety, but also as talking points for their agents.

When the money is put aside in a reserve of this sort it is not a constant temptation to stockholders who are always looking for dividends. When you fasten the word reserve on to anything you remove the appetite for it from the man who owns it.

Quite a few fire insurance companies place certain portions of their surpluses in conflagration reserves, adding to these from year to year.

"The Dawn of a To-morrow"

The war having ended so happily it is believed that a better world will rise out of the ruin—more of beneficence, equality, fraternity and sympathy with "the other fellow" will prevail in the great "to-morrow" that is dawning. Life insurance embodies these great conceptions and will be one of the big movements that "will come into its own." Now is the time to make life insurance your life work. The war has given the institution of life insurance a great impulse and it is appreciated to-day as never before. It is calling for men of the highest abilities and the finest character. Sell life insurance: and sell mutual life insurance for the mutual system is popular because it is based upon strictly democratic principles. If not as an agent then as a member you will be welcomed into our organization—

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO : : ONTARIO

SOLID GROWTH

Up-to-date business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

Assurances in Force have more than doubled in the past seven years, and have more than trebled in the past eleven years.

To-day they exceed by far those of any Canadian life assurance company.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.

TOTAL ASSETS $2,387,634.14

A Canadian Company Investing its Funds in Canada

APPLICATION FOR AGENCIES INVITED.

The Independent Order of Foresters

Furnishes A Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.

Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies issued from $500 to $5,000. For further information and literature, apply to

Benefits Paid 58 Million Dollars

FRED J. DARCH, Secretary
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HEAD OFFICE - - TORONTO

5½
NTEREST
RETURN

INVEST YOUR SAVINGS
In a 5½% DEBENTURE of
The Great West Permanent Loan Co.
SECURITY
Paid-up Capital $2,412,566.31
Reserves 756,580.13
Assets 7,168,537.29
HEAD OFFICE, WINNIPEG
BRANCHES: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

Do Better This Year

There are some ways of improving this year over last. One way—Make Your Will, if you have not already done so. Our services as Executor are certain to be most satisfactory, as shown by our long experience and undoubted success. Another way is—Make wise investments. Our Guaranteed Investments pay a good interest rate, and are as safe as any investment you can find.

THE
TORONTO GENERAL TRUST
CORPORATION
Hon. Featherston Osler, K.C., D.C.L., President. A. D. Langmuir, General Manager. W. G. Watson, Asst. Gen. Manager.
Head Office: 83 Bay St., Toronto

LUMBER PRODUCTION

Census of the Industry in Canada Recently Completed

OTTAWA.—A census of the lumber industry in Canada has just been completed by the Dominion Bureau of Statistics, embracing 2,879 operating concerns, of which 52 were in Alberta, 251 in British Columbia, 29 in Manitoba, 255 in New Brunswick, 462 in Nova Scotia, 603 in Ontario, 60 in Prince Edward Island, 1,151 in Quebec and 16 in Saskatchewan.

The total capital invested in the industry, including land, buildings and plant, machinery and tools, stocks in process and supplies, and working capital is given at $149,266,019.

The number of employees on salaries was 2,874 males and 285 females, who received a total of $3,554,097. The average number of employees on wages was 25,516 engaged in logging operations and 28,820 in the mills, and their combined wages amounted to $34,412,411.

The aggregate value of production in 1917 was $115,777,130. The census covered 29 kinds of lumber, 11 of shingles, 10 of lath, 6 of pulpwood and 10 of miscellaneous products, including cooperage stock, veener, ties, poles, posts, dressed lumber, etc.

INVESTORS' INSURANCE NOTES

IMPERIAL LIFE HITS NEW RECORD IN NEW BUSINESS

Over Fifteen Millions of Assurance Written or Revived

HEAVY DEATH LOSSES

Feature of Annual Report Was the Fine Showing Made in Face of Exceptionally Large Death Claims

It will be reassuring to both shareholders and policyholders of the Imperial Life Assurance Company to realize how well this institution has stood the heavy strain of the past year. The management makes no secret of the severe losses which it has had to bear—losses, which carried the death rate up to the unprecedented level of 116 per cent. of the expected. Yet, in spite of these extraordinary claims, the company's finances continue in excellent shape and there is every reason for those interested in the welfare of the company to feel pride in the showing that has been made.

From the standpoint of new business, it has again been a record-breaking year, with over $15,000,000 of assurances written or revived, a gain of nearly $2,000,000. And the business has been well conserved. To the assurances in force, $9,379,243 has been added, which represents approximately 62½ per cent. of the new business. In 1917, this percentage was slightly higher, 63¼ per cent.—but if the greatly increased death rate this year is considered, it must be apparent that in respect to other terminations, the year's experience has been even more satisfactory than that of 1917. The business in force now amounts to $72,741,582.

The growth of assets during the year amounted to $1,164,185, bringing the total under this heading up to $15,448,031. In this connection it is pointed out that $1,051,288, or nearly all the funds available for new investments, was placed in Dominion war bonds. This circumstance is accountable for a somewhat lower average interest rate on invested assets: from 6.72 per cent. in 1917, the rate has dropped to 6.51 per cent. in 1918. The charge is also reflected in the itemized table of assets. Here it is to be observed that, whereas mortgage loans have declined during the year from $5,394,041 to $5,017,124, investments in bonds and debentures have increased from $5,312,763 to $7,072,085. The former now constitute 32.47 per cent of total assets, comparing with 37.8 per cent. in 1917 and 66.5 per cent. in 1913. The latter constitute 45.8 per cent of total assets, as compared with 37.2 per cent. in 1917 and only 10.4 per cent. in the year before the war.

Benefits paid to policyholders in 1918 amounted to $1,760,661, an increase of $730,269, due primarily to the heavier death claims. Notwithstanding these large payments and increases in operating expenses, it is gratifying to observe that there was still a goodly margin between receipts and disbursements. The total cash premium and interest income aggregated $3,522,388, which was nearly $400,000 greater than in 1917.

Of the 116 per cent. of the normal table mortality experienced by the company, 51 per cent, represented influenza claims; 22 per cent. was claims and the balance ordinary claims. In 1917, war claims accounted for 31 per cent, and ordinary claims for 47 per cent. of a total mortality of 78 per cent. This shows conclusively that, had it not been for the extra losses incurred through the influenza epidemic, there would have been a decided improvement in the year's mortality rate.

Effect on Balance Sheet

Turning to the balance sheet, the first change that commands attention is the decline in the policyholders' net divisible surplus. This has fallen during the year from $2,091,829 to $1,880,282 or by $211.547. This is a result entirely to be expected under the circumstances and it is a matter of satisfaction that the surplus has not been drawn upon to a greater extent, both to make good the abnormal losses; to provide for the enlarged reserves required against the big volume of new assurances and to meet dividend payments to policyholders, which are naturally heavier in the case of a company completing its twenty-first year. In fact, with the increasing tendency to pay profits more frequently, the expansion of surplus in any company will be limited from now on. That the company has been able to add over nine millions to its assurance in force as well as to meet death claims of nearly $900,000, without cutting its surplus by more than $200,000, is a fine performance. As a matter of fact had the company carried out its bonds and debentures at the authorized Government valuation, instead of on its own more conservative valuation, it would have been able to maintain its surplus.

The position of the company has been further strengthened by an enlargement of the contingency reserve fund in respect to investments and mortality to $110,972 and by the creation of a special fund of $30,000 against unreported claims. Adequate provision is also made for supplementary contracts, as well as for claims awaiting proof. The latter amount to the large total of $345,431, or more than $150,000 in excess of the sum provided at the end of 1917.

Owing to the prevalence of influenza, the usual conference of field managers and district representatives, usually held at this time of the year, has been omitted and in consequence the attendance at the annual meeting of the company on Wednesday of this week was rather smaller than usual. The chair was occupied by the president, G. A. Morrow, who delivered an interesting address on the progress of the company, dealing particularly with the new business and the investments. The vice-president, E. T. Malone, in a short address, took up the subject of benefits. A motion of thanks to the field forces and head office staff was moved by S. J. Moore and seconded by Sir John Aird. To this, suitable reply was made by the managing director, J. F. Weston; W. A. Peace and Dr. Lowry of the Toronto agency staff and Mr. Mackay, superintendent of West Indian agencies.

AFTERMATH OF THE MONTREAL STRIKE

Feeling Growing That Government Should Take Action to Prevent Firemen's Strikes

Various plans have been discussed by insurance men since the strike of the firemen developed in Montreal and left the companies and citizens alike at the mercy of any conflagration that might happen. Many suggestions have been made, only to be rejected, and finally the feeling is growing that action should be taken by Provincial Governments to make such a strike illegal, until all means of conciliation through arbitration have been exhausted.

An interesting suggestion is made by the president and general manager of the Strathcona Fire Assurance Company, A. A. Mondou. In discussing the recent events in Montreal he said that the city in such a case should turn over to the fire insurance companies, the fire-fighting apparatus, and let them operate it, including control of the fire halls, until such time as a civic fire force was in action again. Mr. Mondou argues that the city by virtue of the expenditures that have been made, and special ones covering the expenses of the fire commissioner's office in the City of Montreal, has guaranteed fire protection to the companies, and on the basis of this they issue the policies for the comparatively low rates they do. If their control of the fire-fighters falls down, all the available fire-fighting apparatus should be given to those who are most directly interested.

When this idea was laid before other insurance men there was a disposition to raise objections. It was stated, for instance, that as a matter of fact the fire insurance company is only one of several bodies interested vitally in prevention of fires or fighting them to prevent severe loss. The private citizen, even if he does not insure, owns his part of that apparatus, and the city itself would hardly consider the handing over of the property of the whole body of citizens to any group, representative as they were of certain interests who had a heavy financial stake. On the other hand it is recognized that the insurance men, members of the Fire Underwriters body and of the individual companies performed valuable services, often at the risk of their lives, in order to lessen the risk of serious destruction of property on the eventful night.

It has been said that the companies under such circumstances could cancel their risks. This, the manager of one company points out is practically impossible. In his own case it would be necessary to give a specific notice in each case, and seven days' warning. By that time anything might have happened, even if several weeks would not have elapsed before the whole list of some of the larger companies could be covered adequately.

Some provincial legislation is considered generally the only solution.

Imports into the United Kingdom during December increased £31.420,600 over the same month in 1917, according to statistics made public by the Board of Trade. The increase was mostly in foodstuffs and raw materials, of which £4,500,000 was cotton.

CANADA LIFE IS ABLE TO PRODUCE LARGER SURPLUS

Fine Showing, Under Adverse Conditions, is Made

MAINTAINS DIVIDENDS

Death Claims Fall Under 100 Per Cent. of the Expected in Spite of War and the Flu

Results obtained in 1918 by the Canada Life Assurance Co., as disclosed at the annual meeting of the company on Thursday last, must prove highly gratifying to both shareholders and policyholders. In a year distinguished by its extraordinarily heavy death losses, the company emerges, not only with its surplus enlarged, but with its contingent fund intact and its rate of dividend payments to policyholders maintained at its previous level. It is problematical whether many Canadian life companies will be able to make so favorable a showing.

The new business written, together with assurances revived, amounted to $25,772,748, an increase of over two millions for the year. Assurances in force were increased from $183,016,760 to $195,980,550, or by $12,963,790. This is a moderate amount for so large a company and there is no doubt that a part at least of the good showing made by the company is due to the fact that it did not attempt to swell its assurances in force by an extra large amount of new business in a year so critical as 1918. From now on it will doubtless be found that the Canada Life will endeavor to put on each year a considerably larger volume of assurances to make good the terminations of the war years.

Mortality Rate, 97 Per Cent.

To the fact that it is an old company and that in consequence the number of young risks is smaller in comparison to the total of risks than would be the case in a younger company, must be attributed the gratifying circumstance that the 1918 mortality did not exceed 100 per cent. of the expected. The rate was actually 97 per cent. of death and disability claims of $2,769,085, approximately $456.000, arose from the war, while $630,000 resulted from the influenza epidemic. Sums paid in connection with matured endowments, surrenders and dividends brought the total payments to policyholders and their beneficiaries, etc., up to over five millions and a half, an increase of well over a million dollars over the total for 1917. Incidentally it might be stated that war claims paid since the war started have amounted to $1,727,000.

Assets at the end of the year showed a value of $65,947,574, an increase of $3,367,238. This gain is almost wholly absorbed by the company's purchases of war bonds. Government, municipal and other bonds, stocks and debentures are shown on the balance sheet as of a value of $28,727,371, comparing with $25,282,906 a year ago. Investments in mortgage loans have also increased, being up from $20,454,885 to $21,237,608. Loans on policies have been enlarged from $9.222,925 to $9.353,099, but real estate, loans on stocks and bonds and cash in bank all show declines. The rate of interest earned on invested assets was maintained at 5.83, which was the rate earned in 1917. This is one advantage derivable from conservative investing in that the rate is not adversely affected by large purchases of war bonds.

Addition to Surplus

No special reference need be made to income. This continues to expand satisfactorily. On the side of considerments, apart from the very considerable payments on policyholders' account, there is to be noted a natural increase in expenses due to the enlarged business. Provision was also made last year to write $310,000 off the value of office buildings. After enlarging the re-insurance reserve from $52,562,478 to $55,015,954, making provision for claims in course of settlement and otherwise providing for all liabilities, the surplus works out at $6.983,662, an increase of about $250.000 for the year. This is comparatively small compared with the gains of previous years, but the fact that there has been an increase at all is significant. The net surplus earned was $1,241,721, which is very little less than in 1917, and is indeed a splendid achievement.

The Annual Meeting

Attendance at the annual meeting on Thursday was large and representative. **The president, H. C. Cox, delivered a most comprehensive address in which he ably summarized the position of the life insurance business in** general at the present time. A vote of thanks to the president and board of directors was moved by the Hon. Frederic Nicholls and seconded by C. H. Easson. Alexander Bruce, K.C., replied, incidentally mentioning that he had been associated with the company since 1860. For the sixty-first time, Adam Brown, the veteran director, now in his ninety-third year, eloquently moved the vote of thanks to the staff and agency forces. He was seconded by G. H. Wood. T. G. McConkey, general superintendent; E. M. Saunders, treasurer; Dr. Scadding, medical director; and two agency managers replied briefly to the motion.

The old board of directors was re-elected, while it was announced during the meeting that E. R. Wood had been elected vice-president, replacing J. H. Palmer in that position.

CANADIAN ORDER OF CHOSEN FRIENDS
HEAD OFFICE. HAMILTON, CANADA

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

Dr. J. W. Edwards, M.P., Grand Councillor.
W. F. Montague, Grand Recorder.
W. F. Campbell, Grand Organizer.
W. H. Woods, M.D., Grand Medical Ex.
HAMILTON - ONTARIO

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance.
HEAD OFFICE - - LONDON
BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets, over - - $3,500,000.00
Losses paid since organization, over - $43,000,000.00

Western Assurance Company
Fire, Marine, Explosion and Automobile Insurance.
Incorporated 1851
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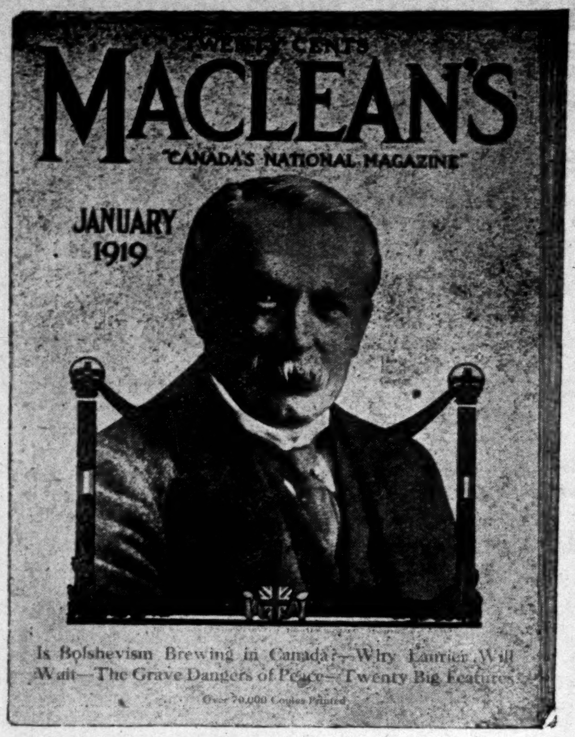
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DOMINION BRIDGE GETS $1,900,000 FROM QUEBEC WORK

Of This $1,100,000 Was Included in Year's Profits of $2,477,009

DIVIDEND UNCHANGED

Is Prediction of President—Company Improves Cash Position—Subsidiaries Were Hard Hit

One of those secrets that have lain concealed for some years, necessarily so, namely, the profits that the Dominion Bridge Company would reap from the building of the Quebec Bridge, was revealed at the annual meeting of the company on Wednesday of this week in Montreal, when the president, Phelps Johnson, stated that up to the close of the company's fiscal year, Oct. 31, there had been received the sum of $1,100,000, and in December an additional amount of $765,000, and a small amount still remained to come. This means that from first to last in the seven years during which the work was being constructed the Dominion Bridge Company netted as profits the sum of about $1,900,000, well over the estimate of $1,500,000 made by the president at the meeting last year. Taking this $1,100,000 into consideration, the total profits for year 1918 amounted to $2,477,009 as compared with $1,360,534 the year before, but with the Quebec Bridge deducted the net for the year alone would show up as $1,377,000 against $1,360,000 or practically the same. So that apart from the bridge account, which was not included at all in the statement of 1917, the general business of the two years was about the same. Two years ago, in 1916, the net profits were higher even than in 1918.

The second point of importance that was referred to at the meeting in answer to a question of Gordon Strathy, a shareholder, was in reference to the future dividend. Mr. Strathy objected to the cut from 10 to 8% that was made at the time of the meeting last year, but the president declared that the subject of an increased dividend had not come up before the directors and he could hold out no hope as to any increase coming in the near future.

Mr. Strathy raised a further objection to the move that had taken place in the stock, and suggested that if the directors would publish the names of the shareholders he would then be in a position to know who were responsible.

With the Quebec Bridge profits added to the regular profits from the year's operations the statement appears much stronger than last year. Moreover there is evidence that an effort has been made to depreciate property so as to get down to a rock bottom basis in valuations, for where depreciation on machinery in 1917 was only $123,101, this past year there was allowed $404,472. To offset this, however, there is no item to set against the special reserve of $300,000 that was created out of profits one year ago.

After deductions there was available for dividends this year $1,865,717 as against $1,186,436, working out at 28.7% this year on common stock of $6 500,000 compared with 18.3% one year ago. The amount paid for dividends decreased with the drop from 10% to 8%, from $747,500 to $520,000, leaving the net surplus for the year $1.345.717, to compare with the comparatively small amount of $56.316 one year ago. The total surplus now stands at $3.025,307. The two years' profit and loss accounts were as follows:

Deduct:	1918	1917
Total profits	$2,477,009	$1,360,534
Deprec. on mach.	404,472	123,101
Int. and ex.	41,344	30,331
Res. deben. acc.	151,015	6,556
Dir. fees	14,460	14,110
Bal. net earn.	$1,865,717	$1,186,436
Trans. to spe. res.		300,000
Trans. to inv. res.		82,620
Dividends	520,000	747,500
Surplus for year	$1,345,717	$ 56,316
Bal. from prev. yr.	1,679,590	1,623,274
Surplus forward	$3,025,307	$1,679,590

The net profits and surplus for the past five years show 1916 as the largest to date, with $2,776,390.

	Net profits	Surplus for year
1914	$ 629,969	*$ 42,993
1915	1,344,347	382,818
1916	2,776,390	874,173
1917	1,207,101	56,316
1918	2,477,009	1,345,717

*Deficit.

Liquid Position Stronger

This cash payment on account of the Quebec Bridge enabled the company to reduce greatly the banking indebtedness of 1917 which stood at $1,150,000 and has been cut down to $196,085, which is specially secured by holdings of City of Toronto bonds valued at $199,000. A wider business is indicated by the item of accounts and bills receivable which has increased from $1,202,733 to $2,029,386, an increase of over $800,000. The amount of cash on hand is lower, but is more than made up by the bonds that are new this year. The inventory amounts to about the same as last year. The total liquid assets have grown by about $700,000, to $5,079,613, while the current liabilities have declined from $2,600,809 to $1,896,099, thus leaving the net working capital at the close of the 1918 year as $3,183,514, compared with $1,797.449, an increase of $1,386 065, or a little more than the $1,100,000 of Quebec Bridge payment. It must be remembered in this connection that the liquid position of the company was strengthened during December by the receipt of cash of $765,000 also on the Quebec Bridge account, which would bring the working capital now close to $4,000,000. The figures for the past two years compare as follows:

WORKING CAPITAL

Liquid Assets—	1918	1917
Cash	$ 284,648	$ 463,337
Dep. on tend.	141,225	112,681
Bonds	245,290	......
Exp. onunc. cont.	1,074,363	1,366,033
Acc. and bills rec.	2,029,386	1,202,773
Steel, supplies, etc.	1,304,700	1,253,436
	$5,079,613	$4,398,258
Current Liab.—		
Acct. and bills pay.	1,570,014	1,288,309
Bank loan	196,085	1,150,000
Div. pay. Nov. 15.	130,000	162,500
	$1,896,099	$2,600,809
Bal. work. capital.	3,183,514	1,797,449
Gain, 1918 over 1917		$1,386,065

A study of the balance sheet for the last two years shows that there is a slight decrease in the item "investments in other companies," from $3,164,590 one year ago to $2,658,999 this past year. The president stated during the meeting that the capital stock of the St. Lawrence Bridge Works would gradually be reduced, with the Quebec bridge settlement and that of the munition orders.

The total assets of the company stood at $12,130,866 at the end of 1918, as compared with $11,876,355 one year ago.

Reference was made at the meeting to the acquisition of control of the Robb Engineering Company through securing the common and preferred stock, and a by-law authorizing the purchase of a "share interest" was passed.

Difficulties in Doing Business

In his report to the shareholders the president, Phelps Johnson, states that the Lachine works were nominally filled with orders to their full capacity, but delays in receiving material, etc., caused slack periods and reduced the estimated profits. The same was true in the Toronto and Ottawa plants, while at Winnipeg only a small volume of fabricated work was offered. Generally speaking the steadily increasing wages caused estimates of labor costs to be far exceeded. The new department for the manufacture of marine boilers has been filled with orders and it became necessary to increase the capacity. The machine and engine department also was extended. There was little structural work fabricated, for although a good valume of business offered material could not be obtained. Several new lines have been undertaken, steam turbines and turbo blowers, and paper making machinery, and the results were encouraging.

The report continues: "Notwithstanding the loss of the suspended span in 1916 satisfactory profits have resulted from the Quebec bridge, and the St. Lawrence Bridge Company has also carried out profitable orders for munitions.

Wound Up One Auxiliary

The Dominion Copper Products Company, in which Dominion Bridge is largely interested, paid no dividends the past year. Orders for cartridge cases ceased about the beginning of the calendar year, and while good progress was made on new munition orders for the United States Government shipment only commenced in September and after the armistice the United States cancelled the orders.

Another auxiliary fared no better, the Structural Steel Company. This was wound up as it had to vacate its quarters in the Montreal Locomotive Company's works.

NEW GENERAL MANAGER

Robert Welch Joins the Dominion Gresham Company

It is officially announced that Robert Welch, for past five years assistant manager of the Globe Indemnity Co., Montreal, has been appointed general manager of the Dominion Gresham Guarantee and Casualty Co. to succeed the late F. J. J. Stark. Previous to his connection with the Globe Indemnity, Mr. Welch served six years with the Casualty Department of the Liverpool and London and Globe at head office, having previously been connected with the General of Perth for fourteen years.

SHIPMENTS OF GOLD AND SILVER TO THE STATES

Canada Chief Contributor During Year Just Closed

TOTAL WAS NOT GREAT

Movement of Yellow Metal Small Compared With Other War Years—Statistics on Silver Consignments

NEW YORK.—Gold stocks in the United States at the commencement of 1919 were approximately $3,080,040,000 compared with about $3,040,400,000 a year ago. During the year under review, the calendar year 1918, Canada was the chief contributor to the gold stores of this country. U.S. imports of gold from Canada, according to the latest statistics that are available were $43,655,312 for the nine months of 1918, with exports of $1,298.682 or a net import of $42,356,630. Mexico, during 1918 absorbed approximately $20,000,000 net of this country's gold.

The past year was really an unimportant one, notwithstanding the substantial figures reported, in the gold movement of this country, when consideration is given to the remarkable flow of gold in 1915, 1916 and 1917. Comparative statistics, illustrating the part Canada played in the movement of gold into the United States during the period of the war follows:

THE GOLD MOVEMENT

Period.	U. S. Imports.	From Canada.	% Can.
1914	$57,387,741	$33,823,762	59
1915	451,954,590	218,910,910	48
1916	685,990,234	579,337,169	84
1917	552,454,374	515,044,466	93
1918 (9 mos.)	56,503,064	43,655,312	77
	$1,804,290,003	$1,390,771,619	77
	U.S. Exports	To Canada	
1914	222,616,156	104,172,911	46
1915	31,425,918	11,587,395	36
1916	155,792,927	8,611,424	5
1917	371,883,884	11,682,714	3
1918 (9 mos.)	34,263,079	1,298,682	3
	$815,981,964	$137,353,126	16

These figures, as above, are for the period of the war from its commencement virtually to its close, to October 1st, 1918. At the outset Canada assumed unprecedented importance by reason of becoming the "channel" for the British gold flow into the United States, prior to this country's entrance into the war arena.

The Gold Problem

Marked reduction in America's gold output and an apparent decline in the world's supply of the metal presents a problem of serious concern, according to a special committee of gold experts whose report to Secretary Lane of the Interior Department became available this week. Suggestions as to possible remedial measures for maintaining the visible gold reserve include the curtailment of the use of gold for manufacturing purposes. "The present decrease in gold production is serious," says the committee, "as the maintenance of a sufficient gold reserve is essential to the security of our national finances and credits. The United States is the most favored nation in regard to gold reserves, holding over three billion dollars, or nearly one-third of that of the world; but it has contracted debts on a gold basis many times that existing before the war."

Canada's Future Share

It would be difficult to predict the relation which the Dominion may be expected to bear in the coming year toward the further building up of America's gold supply. If Great Britain sets about to retire from her obligations to this country it is just possible that Ottawa may once more as in the early months of the war period become the medium for shipments of bullion into the United States. This gold that came to the U.S. from Canada for account of England was South African metal. Of herself Canada's export of gold would be small in the balance, as mining conditions are at present. Some means of stimulating the production of gold in Canada, as in this country, must be taken to offset the hugely inflated increase in the operating costs. Gold production for fifty years to 1917 in Canada is valued at $371,000,000. The record year of gold production was 1900, when Canada's output aggregated $27,900,000. In 1917 it amounted to less than $16,000,000 compared with $19,200,000 in 1916 and $18,900,000 in 1915.

Canada's Silver Contribution

Canada ranks third among the silver producing countries of the world, so it is not altogether surprising that the Dominion is found to have been a substantial contributor to America's silver hoard in the past year. From July 1st, 1915, to October 1st, 1918, Canada sent $22,210,736 worth of silver to this country and received in return $6,168,656. Canada's net contribution to the U.S. amounting to more than $16,000,000. In nine months of 1918 alone net imports of silver by the U.S. from Canada approximated $5,000,000, which, with the exception of $36,000,000 sent by Mexico was the greatest amount from any one country received here during the period.

Silver was a vexatious problem for the U.S. and England and it is regarded here with a good deal of satisfaction that the neighboring Dominion was able to play so vital a part in supplying the much needed metal. The silver was required primarily by England for shipment to India, and as well to enable the U.S. to pay France for disbursements to the men of the U.S. army in silver. No one con say how much silver India will take; the country has long been known as a "sink" for precious metals. In the nine months of 1918 U.S. silver exports to India totaled nearly $95,000,000, to England, $22,000,000, to France $3,500,000, to China $19,500,000 and to Hong Kong $19,300,000.

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